

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILES 00/2

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outside of their working hours while engaged in eating,⁴ recreation,⁵ going and coming,⁶ washing,⁷ and the like.

If a summary of the current state of the law in this entire area were to be attempted, the following would probably come as close to the mark as any condensed statement could:

Injuries to employees required to live on the premises are generally compensable if one of the two following features is present: either that the claimant was continuously on call, or that the source of injury was a risk distinctly associated with the conditions under which claimant lived because of the requirement of remaining on the premises.

Some jurisdictions go further, some not so far; but this brief statement describes the rule that emerges from the bulk of the decisions.

§ 24.20 Employees continuously on call

§ 24.21 Broad rule covering on-call employees

A domestic servant on 24-hour duty in the employer's house or any other location, working continuously on the premises and continuously on call,⁸ may be thought of as occupying the

⁴ See § 21.21 *supra*.

⁵ See § 22.11 *supra*.

⁶ See § 15.10 *supra*.

⁷ See § 21.62 *supra*.

⁸ This type of problem should be distinguished from that of the employee who does some part of his work at home or even maintains an office at his own home. See § 18.30 to § 18.34. Obviously the course of employment for such a worker cannot be extended to all the personal and domestic acts around the house connected with the employee's private life. *Johnson v. Local 59, Tile & Marble Helpers*, 18 A.D.2d 955, 237 N.Y.S.2d 814 (1963). A union business agent maintained the union office in his home. Injuries suffered while returning to yard work, after being interrupted by a business phone call, held not compensable.

Cf. *Graham-Michaelis Drilling Co. v. Atkins*, 397 P.2d 658 (Okla. 1964). Deceased employee was furnished with company car, had office in his home.

same position as an eight-to-five worker while present on his employer's premises. The great majority of jurisdictions therefore make awards for injuries in all the familiar categories of activity which have been found to be in the course of employment when undertaken on the premises during working hours by employees having a fixed time and place of work.

Going and coming trips on the premises are covered, as when a nurse, who was off duty but was required to remain on the grounds, fell on the ice while walking between the hospital and the home.⁹ Going to and coming from meals would similarly be in the course of employment.¹⁰

Most of the varieties of personal comfort activity are represented among the on-call resident employee cases. As to eating, it has been held that a nun who fell while fixing her own breakfast at the convent was within the course of her employment.¹¹ Going to the bathroom has consistently been held to be

and was on 24-hour call. He suffered a heart attack while shoveling snow from around the car. Compensation was upheld.

⁹ *Favorite v. Kalamazoo State Hosp.*, 238 Mich. 566, 214 N.W. 229 (1927).

¹⁰ *Bass v. Mecklenburg County*, 258 N.C. 226, 128 S.E.2d 570 (1962). A resident practical nurse lived on the premises of the County Home. She slipped and fell on the sidewalk between the nurses' residence and the main building where she planned to have breakfast before reporting to work. The court held that the "premises rule" applied to the resident employee.

See also *Wood v. New York State Dep't of Environmental Conservation*, 361 N.Y.S.2d 751 (App. Div. 1974). The customary practice for employees was either to eat lunch on the premises or to go off the premises for lunch. The decedent employee, an inside employee, was in charge of the premises along with his supervisor, who left the decedent in charge while he went for lunch. The supervisor testified that he informed the decedent that, if he wished, the decedent could simply lock up while he went for lunch. He also testified that the decedent customarily went across the highway to a small store for lunch. The court reversed the board and held that the decedent was in the course of his employment when he was killed on the highway which fronted on the employer's premises during the lunch period. When an inside employee is on duty during lunch, the fact that he is off the premises at the time the injury occurs is not controlling.

commencing work,¹² an apartment house superintendent's wife, who was a "joint superintendent,"¹³ a dressmaker who remained on the premises overnight,¹⁴ a resident jail matron,¹⁵ and a hospital nurse.¹⁶ Injuries while bathing are a familiar source of awards, to such claimants as a hotel dishwasher, off duty but on call, who was injured while taking a shower,¹⁷ a handyman on an estate who cut his foot taking a bath,¹⁸ an on-call hotel cook who fell while taking a shower,¹⁹ and a receptionist in a funeral parlor, living on the premises, who slipped while leaving the bathtub to answer the phone.²⁰ Case of appearance and dressing categories are represented by awards to a cook who suffered an unexplained fall while dressing in the morning;²¹ a cook in a private residence who

¹¹ *Sister Mary Benedict v. St. Mary's Corp.*, 255 Iowa 847, 124 N.W.2d 548 (1963).

Insurance Co. of No. America v. Estep, 501 S.W.2d 352 (Tex. Civ. App. 1973). An employee of a cotton gin was assaulted by a fellow employee while preparing his meal on premises on which complainant was on call 24 hours a day as a condition of his employment. The injury was held to have arisen in the course of employment. An injury in such a situation need not occur while the employee was discharging any specific duty of his employment.

¹² *Underhill v. Keener*, 258 N.Y. 543, 180 N.E. 325 (1931).

¹³ *Tinnelly v. Schrupf*, 278 App. Div. 992, 106 N.Y.S.2d 71 (1951).

¹⁴ *Jasnig v. Winter*, 115 N.J.L. 320, 179 A. 884 (1935), *aff'd without opinion*, 116 N.J.L. 181, 182 A. 842 (1936).

¹⁵ *Behan v. County of Onondaga*, 26 A.D.2d 609, 271 N.Y.S.2d 361 (1966). Claimant worked as head matron in the county jail. In addition to her salary, she received a room on the premises and board, and was subject to 24-hour call. She was injured when she slipped as she was coming out of the bathroom at 2 A.M. Because she was required to live on the premises, the injury was held compensable.

¹⁶ *Doyle's Case*, 256 Mass. 290, 152 N.E. 340 (1926).

¹⁷ *Taylor v. 110 So. Pa. Ave. Corp.*, 117 N.J.L. 346, 188 A. 689 (1936).

¹⁸ *Bruyere v. Walker*, 7 N.J. Misc., 716 (1929).

¹⁹ *Weiss v. Friedman's Hotel*, 176 Pa. Super. 98, 106 A.2d 867 (1954).

²⁰ *Brandner v. Myers Funeral Home*, 330 Mich. 392, 47 N.W.2d 658 (1951).

²¹ *Martin v. Plaut*, 293 N.Y. 617, 59 N.E.2d 429 (1944).

was injured in her own room while engaged in shortening a street dress and standing on a stool to observe the hem of the dress in a wall mirror;²² a hospital clerk, on call at all times, who fell from a chair while he was dressing after taking a bath;²³ a funeral home custodian who was injured while changing a dress that had become soiled;²⁴ a live-in 24-hour-on-call employee fell on the premises on the way to a laundromat to do his personal laundry;^{24.1} and a domestic servant who washed her hair once a fortnight with the approval of her mistress and was burned when she fell into a fire while drying her hair.²⁵ Awards associated with sleeping and resting include awards for injuries while going to bed, as in the case of a claimant who was employed by his father as a chauffeur and companion on continuous call and who fell going upstairs to bed;²⁶ while getting up in the morning, as in the case of a domestic servant who fell out of the window when opening it after arising in the morning;²⁷ while getting up in the night, as in the case of a maid and companion for a disabled employer who, at a time when she was suffering from a heavy

²² *Employers' Liab. Assur. Corp. v. Industrial Acc. Comm'n*, 37 Cal. App. 2d 567, 99 P.2d 1089 (1940).

²³ *Wood v. Kings Park State Hosp.*, 266 App. Div. 804, 41 N.Y.S.2d 391 (1943), *aff'd*, 293 N.Y. 919, 60 N.E.2d 129 (1944).

²⁴ *Gowan v. Harry Butler & Sons Funeral Home*, 204 Kan. 210, 460 P.2d 606 (1969). Claimant and her husband were provided with an apartment on the premises of her employer, a funeral home. Her duties included light housekeeping, answering the phone, and meeting people who came to the door; one of the specific requirements of her employment was that claimant be neat and presentable at all times. While cleaning, claimant spilled some polish on her dress, and, after returning to her apartment, was injured while changing her dress. A denial of benefits was reversed, the court holding that in changing her dress claimant was fulfilling one of the conditions of her employment.

^{24.1} *Adair v. Metropolitan Building Co.*, 196 N.W.2d 335 (Mich. App. 1972). *Treatise* quoted.

²⁵ *Codling v. Ridley*, 26 B.W.C.C. 3 (1933).

²⁶ *Wiarda v. Wiarda*, 281 App. Div. 999, 120 N.Y.S.2d 509 (1953).

²⁷ *Cooney v. Roper*, [1939] Ir. Jur. Rep. 29 (1939).

ally sleeping, as in the cases of resident caretakers burned by an accidental fire,²⁹ or injured by a runaway bulldozer which rammed the rental unit occupied by the caretaker.³⁰ Recreational and social activities of resident on-call workers are extended a generous degree of coverage, in recognition of the special circumstances under which these employees live and must obtain their entertainment and recreation. The compensation act has been held to apply to a cook in a summer resort, who lived in a cottage furnished by the employer, who fell on the steps of a co-employee's cottage while returning a book during a rest period;³¹ to a kitchen helper, who lived on the premises, who had completed his week's work but was on call in emergencies, and who fell on the stairs at 11 P.M. while re-

²⁹ *Outlaw v. Parker*, 9 A.D.2d 797, 192 N.Y.S.2d 692 (1959). Her duties required her to sleep on the premises and be available for calls during the night. The court said:

"[A]mong others, the risk of tripping or slipping in one's room or out of it, and where the servant lives in as part of the household, such incidents may be said to arise out of and in the course of employment. . . . The fact that here the claimant was suffering from a cold which apparently necessitated her arising during the night is not such an unusual circumstance as to deny her compensation." 192 N.Y.S.2d 692, at p. 693.

³⁰ *Scott v. Hoage*, 63 App. D.C. 391, 73 F.2d 114 (1934).

Bourn v. James, 191 Neb. 635, 216 N.W.2d 739 (1974). Claimant was a ranch hand for the employer. He lived in a small trailer owned by the employer, and on the employer's land. In the middle of the night, he suffered injuries in the trailer in a fire. The claimant was not required to live in the trailer as a condition of employment, but it was contemplated by both employer and employee that he would do so, so as to be able to help with cows in the middle of the night if the occasion arose. The court held that the injury arose out of his employment. The test used by the court was whether the act at issue was reasonably incident to his employment, or whether it was so substantial a deviation as to constitute a breach in the employment and create an independent hazard. There was a clear benefit to the employer in having claimant stay on the premises, and it was incident to his employment as a caretaker and laborer at the ranch. Moreover, the claimant had no fixed hours, and was "on call" at the time of the injury.

³¹ *Madin v. Industrial Acc. Comm'n*, 46 Cal. 2d 90, 292 P.2d 892 (1956).

³² *Caney v. Straight*, 274 App. Div. 1077, 85 N.Y.S.2d 626 (1949).

turning from a visit on the same premises with a co-worker;³² to a combination saleslady and beauty parlor operator aboard a passenger ship, who had no regular hours of work and was subject to call at any time that passengers wanted to purchase merchandise, who fell because of the roll of the ship when trying to rise from a reclining position after sun bathing on the sun deck in a bathing suit;³³ to a night watchman who was asphyxiated while watching television;³⁴ and to a student nurse, subject to emergency calls, who during her day off was killed by a fire in the nurses' home while she was addressing Christmas cards.³⁵ Various domestic chores, appropriate to the situation of on-call resident workers, have been held covered, as when a janitor of a tenement house, on call 24 hours a day, was disfigured when the polish she was using to clean a stove in her own rent-free apartment exploded;³⁶ or when a falling cabinet injured a superintendent's wife while she was mopping up in her own kitchen as the result of a water pipe leak;³⁷ or when an on-call employee, who in a company-

³² *Lewis v. River Crest Sanitarium Co.*, 277 App. Div. 914, 99 N.Y.S.2d 65 (1950), *aff'd*, 302 N.Y. 655, 98 N.E.2d 474 (1951).

³³ *Rosenquist v. New Amsterdam Cas. Co.*, 78 So.2d 225 (La. App. 1955).

³⁴ *Rocky Mountain Tank & Steel Co. v. Rager*, 423 P.2d 645 (Wyo. 1967). Decedent worked as a night watchman, and lived in a house on the premises. His duties were intermittent during the night, and included answering a business phone in his house, locking gates, and cleaning up. He was asphyxiated while watching television in his house, at night, while dressed in his working uniform. Award of death benefits affirmed.

³⁵ *Carraway Methodist Hosp. Inc. v. Pitts*, 256 Ala. 665, 57 So.2d 96 (1952). An action under the homicide statute for death was barred because of exclusiveness of the compensation remedy.

³⁶ *Kosma v. Blau*, 12 A.D.2d 542, 206 N.Y.S.2d 751 (1960).

³⁷ *Brooks v. Dee Realty Co.*, 72 N.J. Super. 499, 178 A.2d 644 (1962). A water pipe leak had flooded the superintendent's kitchen and caused structural damage in the walls. A jury verdict of \$4000 damages to Mrs. Brooks was reversed by the Superior Court because of the exclusive remedy under the Workmen's Compensation Act. While the mopping was partially personal in cleaning her own kitchen, it was also employment-related as necessary to prevent further leakage into the apartment below. The court followed the "but for" doctrine as to "neutral risks." Treatise quoted.

on Sunday to pick up a water filter to install in the home;³⁸ or when a nurse at a state school fell on the steps while carrying in groceries for his personal use;³⁹ or when an employee, who lived in a house provided by his employer so that he would be available for 24-hour duty, on his last day of work was told to go home and pack, and was injured while packing;⁴⁰ or when an isolated resident employee on call at all times was killed while driving back down a mountain after repairing a television antenna;⁴¹ or when a district game supervisor was killed

³⁸ *Elliot v. Delmont Fuel Co.*, 183 Pa. Super. 13, 127 A.2d 777 (1956).

³⁹ *In re Kilcoyne's Case*, 352 Mass. 572, 227 N.E.2d 324 (1967). Employee worked as a nurse at a state school. He lived on the premises, and paid \$1.54 a week for his room. He was injured on an off day, when he tripped on the steps while carrying some of his own groceries up the steps of the school. The court found that the employer received some advantage from the employee's living on the premises, and that although living on the premises was not required, the employees had to fill in when another employee was absent, and the realities of the employment made living on the premises necessary. Therefore, the injury was compensable.

⁴⁰ *Maley v. Chisholm*, 3 A.D.2d 615, 158 N.Y.S.2d 41 (1956).

Cf. Bryan v. First Free Will Baptist Church, 267 N.C. 111, 147 S.E.2d 633 (1966). Claimant, a minister, lived in a house supplied by the employer church, and used for many church functions. Claimant was assigned to another church, and to enable the defendant to make repairs to the parsonage, he agreed to move two weeks prior to the termination of his employment with them. While moving a stove he injured his back. The court held that the work being performed was personal and not connected with claimant's employment as a minister. Compensation denied.

Cf. also Fingers v. Mount Tabor United Church of Christ, 439 S.W.2d 241 (Mo. App. 1969). Claimant worked as a custodian in a church, was on call 24 hours a day, and was required to live in a house on the church premises, the use of which he received as part of his remuneration. One evening after completing his church activities he returned to his residence and started to go to the basement to select a place to store his old refrigerator. While walking down the steps he tripped and was injured. The requirement that claimant live on the premises and be on call was held not sufficient to make any injury suffered on the premises compensable, and since the activity in progress at the time of injury was purely personal, compensation benefits were not payable. *Treatise* quoted.

⁴¹ *Game & Fish Dep't v. Pardoe*, 147 Colo. 363, 363 P.2d 1067 (1961). The

fixing the television wiring in a cottage provided by his department on a game reserve.⁴²

The last two cases cited provide a reminder of the close link between this type of case and the cases in which the isolated, remote or unusual character of the place where the employee is brought by his employment, either as a resident but not on-call worker,⁴³ or as a traveling employee,⁴⁴ is relied on to extend the range of covered recreational or other incidental activities. The same principle is at work, whether the employee is on the staff of a mountain resort, or in a troupe of traveling camp show entertainers in Paris, or on assignment in a troubled part of the Middle East; and therefore it would be perfectly appropriate to invoke the rapidly-developing precedents from these other fields to enrich the fund of authority available when on-call employees are in residence in comparably remote, lonely, or exotic places.

Once the basic course of employment elements are found, the employee would ordinarily have the benefit of the same rules on causal relation that would apply in similar circumstances to an employee with fixed hours and place of work. A jurisdiction which accepts the concept of positional risk or neutral risk can readily make an award, for example, to a resident caretaker when the source of harm was a bulldozer which had been started by some boys in the neighborhood and which ran wild, smashing into the room where the caretaker was sleeping.⁴⁵ By the same token, under the identification of

court stated that TV entertains isolated employees and indicated the importance of resident employees at isolated or semi-isolated places. *Treatise* quoted.

⁴² *Wheeler v. State Dep't of Conservation*, 350 Mich. 590, 87 N.W.2d 69 (1957). Part of deceased's work included preparation of and participation on educational programs and it was his duty to remain abreast of such programs.

⁴³ See § 24.30 *infra*.

⁴⁴ See § 25.23 *infra*.

⁴⁵ *Madin v. Industrial Acc. Comm'n*, § 24.21 N. 30 *supra*. See also *Brooks v. Dee Realty Co.*, § 24.21 N. 37 *supra*.

award like that in *Mertin v. Phet*,⁴⁶ when the cook who fell while dressing in the morning simply did not know why she fell. Moreover, if the claimant is generally within time and space boundaries associated with his employment, the fact that the particular trip on which he fell cannot be affirmatively identified with employment purpose should not ordinarily be fatal to the claim. Thus, compensation was awarded to a caretaker of a two-family house who fell down the stairs while answering the door for an unknown caller.⁴⁷

§ 24.22 Limitations on on-call coverage

When compensation has been denied to employees in this category, it has usually been on the theory that the activity was too distinctly personal to support an award. For example, awards have been refused for injuries when a watchman was asphyxiated as a result of preparing tea for himself on a gas plate;⁴⁸ when a caretaker of an apartment had an identical misfortune while preparing coffee;⁴⁹ when a watchman⁵⁰ and a janitor⁵¹ set fire to themselves apparently by smoking in bed.

These cases are difficult to reconcile in principle with the successful cases listed above. It has been observed in the treat-

⁴⁶ § 24.21 N. 21 *supra*.

⁴⁷ *Mowen v. Chase Nat'l Bank*, 277 N.Y. 135, 13 N.E.2d 607 (1938).

Esperance v. Church of St. Anthony Padua, 281 App. Div. 789, 118 N.Y.S.2d 606 (1953). Decedent lived and taught at the convent and was injured when she fell on the stairs of the convent. The opinion does not state what she was doing at the time of the injury. Compensation awarded.

⁴⁸ *Comm'r of Taxation & Fin. v. Fure*, 264 N.Y. 678, 191 N.E. 623 (1934).

⁴⁹ *Meehan v. Marion Manor Apartments*, 305 Mich. 262, 9 N.W.2d 534 (1943).

⁵⁰ *Pisko v. Mintz*, 262 N.Y. 176, 186 N.E. 434 (1933).

⁵¹ *McKenna v. Atlas Contractors Equip. Corp.*, 275 App. Div. 876, 88 N.Y.S.2d 668 (1949), *rev'd*, 300 N.Y. 317, 90 N.E.2d 479 (1950), reversed on the facts a denial that had been based on the theory that the deceased watchman had caused the fire by smoking in bed.

ment of personal comfort activities generally that smoking and eating and preparing food are in the same category as resting, going to the toilet, bathing and attending to personal appearance.⁵² If the janitor in *Pisko v. Mintz*⁵³ was on call at the time when he was smoking, his case seems little different from that of claimant in *Puffin v. General Electric Company*,⁵⁴ who set fire to herself while smoking during a rest period in a factory. And if the watchman in the *Fure* case,⁵⁵ was on call when making tea for his own refreshment, his case seems no different from that of the claimant in the *Goodyear* case,⁵⁶ who was injured while preparing to cool a bottle of cola for his lunch.

On the other hand, a line must be drawn in these cases somewhere short of unlimited coverage of everything that happens on the premises. In *Loyola University v. Industrial Commission*,⁵⁷ claimant was a dishwasher and kitchen helper employed by the university. He had certain working hours, but was to some extent on call at other times. He lived in a room in the university powerhouse, which was provided as part of his pay. The University wanted him to live on the premises so that he would be more readily available. On the morning of the accident, the claimant was just "walking around, killing time." It was 6:20 in the morning, and his duties did not commence until 10:30. While he was wandering about, he fell from a wall in back of the powerhouse, at a point which was not on his route from his lodgings to his place of work, nor to any other place where his duties might take him. Compensation was denied. The court said:

" . . . it is clear that the act of walking around 'killing

⁵² See § 21 *supra*.

⁵³ N. 50 *supra* this subsection.

⁵⁴ 132 Conn. 279, 43 A.2d 746 (1945), discussed in § 21.40 *supra*.

⁵⁵ N. 48 *supra* this subsection.

⁵⁶ *Goodyear Aircraft Corp. v. Industrial Comm'n*, 62 Ariz. 398, 153 P.2d 511 (1945), discussed *supra* in § 12.33 and § 21.30.

⁵⁷ 408 Ill. 139, 96 N.E.2d 509 (1951).

time' on an inclined ramp four hours before the employee's regular duties commenced was not an act reasonably contemplated by the contract of employment. Plainly stated, Drohan was a dishwasher, and, so far as his employment was concerned, he had no reason to be on the narrow protective wall running along the edge of the coal ramp eight or nine feet in height at the back of the powerhouse. The ramp was not a part of the premises which would reasonably be used in going to or from the second floor of the building where he lived."⁵⁸

This decision is not necessarily inconsistent with the principles applied in the successful cases above. When awards have been made, the employee has usually been engaged in some activity of the general personal-comfort or going-and-coming type—dressing, bathing, resting, or perhaps visiting co-employees—while in the present case, the claimant's wanderings bore no relation to any such activity.⁵⁹

§ 24.23 On call but off premises

Although an employee is continuously on call, an injury off the premises in the course of a personal activity is not ordinarily considered to be within the Compensation Act. This rule has been applied to the basic going and coming trip,⁶⁰ to a

⁵⁸ 96 N.E.2d 509, at p. 514.

⁵⁹ Note also that in this case, unlike the successful cases in § 24.21 N. 47 *supra*, in which the exact nature of the claimant's errand at the time of his fall was not known, all the evidence is such as to disassociate the activity from any conceivable employment connection.

⁶⁰ *Federal: Foster v. Massey*, 407 F.2d 343 (D.C. Cir. 1968). Claimant was employed by a bus company on an on-call basis, and was required to be available at home or to leave word where he could be reached or call in often in order to be available to make trips for the bus company. He was injured while driving to report to work pursuant to a call from the employer. Claimant was guaranteed payment for a minimum number of miles driven each week, regardless of whether they were driven or not, a guarantee which was not given to regular drivers. The court held that the lower court was not required to find that this guarantee was in effect pay for the travel time or claimant's availability to work, nor was there any other exception to the

trip to church,⁶¹ and to various other personal errands.

coming and going rule which would require an award of compensation, since the employer did not control the trip to work, nor was this a special award.

Alabama: Russellville Gas Co. v. Duggar, 260 So.2d 393 (Ala. App. 1971). Claimant drove a liquid petroleum gas truck. He was on call 24 hours per day, and took his truck home with him, for use in the event a night delivery or weekend delivery had to be made. He was injured while walking from his house to the truck, which was parked in his yard, in preparation to report for work. The lower court apparently awarded compensation on the basis that, because the truck was kept at home, the claimant's home became the premises of the employer. The appellate court reversed, holding that under the facts, the claimant was in no different situation than any employee preparing to go to work in the morning by his usual means of transportation, and the injury was not compensable.

Arkansas: Thornton v. Texarkana Cotton Oil Corp., 219 Ark. 650, 243 S.W.2d 940 (1951). Building superintendent, subject to call at any time, injured on journey home. Court stated that under the going-and-coming rule it "makes no difference whether he works regular hours, or is subject to call by employer." Compensation denied.

Florida: Central Air Conditioning Co. v. Garren, 239 So.2d 497 (Fla. 1970). Claimant was on 24-hour call, and was furnished a truck by his employer for transportation. Claimant left work at about 3:15 A.M. and used the truck for personal business and pleasure for about five hours. He then began to return home on the same route he usually took from the job, and was injured in an accident. Claimant held to be on personal mission and not entitled to compensation.

Nebraska: Richtarik v. Bors, 142 Neb. 226, 5 N.W.2d 199, 142 A.L.R. 861 (1942).

See § 16.12 *supra*, however, for related types of case in which on-call policemen are considered covered during the going-and-coming trip because they are subject to being called into duty by incidents they encounter in the course of that journey, and for other situations in which on-call employees, like anyone else may have the benefit of the special-errand rule. See, e.g., Carroll v. Provenzano, 23 A.D.2d 134, 259 N.Y.S.2d 118 (1965). Claimant, a bartender, usually worked six days a week, receiving as part of his pay one meal eaten on the premises. He was asked by his employer to work an extra day, and during this period he was told to go home for lunch, and that the employer would call if he got busy. On his way back to work claimant slipped and fell on a public sidewalk. *Held:* The employer retained control over the claimant during the lunch period for his own advantage. Compensation awarded.

⁶¹ Peters' case, 345 Mass. 758, 186 N.E.2d 117 (1962). The assistant cook

Of the above cases, one, awarding compensation to a nurse for injuries sustained while she was bicycling for recreation during a stay with the family in Bermuda,⁶² can be assimilated to the cases of both residents and traveling men in foreign or remote places, for whom and unusually broad range of activities have been brought within coverage.⁶⁴ The other, in which it was said that injury to a nurse on 24-hour duty while washing her car at her own home during a four-

at Mount Holyoke College was required to live in a dormitory on the campus. Employees were encouraged to attend church without loss of pay. She fell on the public sidewalk of a public street which divided the campus, while en route from the dormitory to the campus church. *Held*, the accident did not arise out of or in the course of employment.

⁶² *Florida*: Leeds v. City of Miami, 122 So.2d 474 (Fla. 1960). City detective on call 24 hours a day injured returning from personal errand. Compensation denied. *Treatise* cited.

Idaho: Beebe v. Horton, 77 Idaho 388, 293 P.2d 661 (1956). Fatal one-hour plane ride was personal trip outside employment of nursing home manager. Compensation denied. *Treatise* cited.

Louisiana: Bush v. Houston Fire & Cas. Ins. Co., 152 So.2d 377 (La. App. 1963). Employee on 24-hour stand-by duty fatally injured on personal, domestic errand while using his employer's truck. Compensation denied.

Oklahoma: Lane-Wells Co. v. Brewer, 433 P.2d 959 (Okla. 1967). Decedent's job required him to be on call 24 hours a day. However, his fatal injuries in a car accident occurred during a period of time when he was not on duty, and was on a personal mission. Award of death benefits reversed.

Jake's Casing Crews, Inc. v. Grant, 451 P.2d 700 (Okla. 1969). Claimant lived on the employer's premises and was on 24-hour call. He was severely injured in an accident while driving his employer's truck at 8:45 p.m. No evidence was introduced to show that claimant was following any work for the employer at the time of the accident. Award of compensation reversed for lack of evidence to support the claim.

Texas: Thomas v. Travelers Ins. Co., 423 S.W.2d 359 (Tex. Civ. App. 1968). Decedent lived in a trailer off the employer's premises, but was on 24-hour call. He was killed in a fire in the trailer while off duty. The court held that since decedent was only on call, and not on duty 24 hours a day, benefits could not be awarded without evidence as to how the fire started or what decedent was doing when killed. Death benefits denied.

⁶³ *Clapham v. Davis*, 232 App. Div. 458, 251 N.Y. Supp. 245 (1931).

⁶⁴ See § 24.21 Ns. 41 and 42 *supra*, and § 24.30 and § 25.23 *infra*.

hour rest period would be compensable, seems out of line with the majority of decisions.⁶⁵

§ 24.30 Employees living on the premises but not on call

When a resident employee has fixed hours of work, and is injured outside those hours, he is apt to be successful in his claim only if he can show a somewhat stronger causal connection between the employment and the accident than suffices for the on-call employee.

Thus, it is held uniformly that a logger who is required to live in a bunkhouse,⁶⁶ or a janitor⁶⁷ or superintendent⁶⁸ who is required to live in apartment building, or a chef who is required to live in a hotel,⁶⁹ should be considered within the protection of Compensation Act when injured or killed by the burning of his place of residence. Here there is a close causal connection between the requirement of residence and the risk itself,⁷⁰ which was the burning of that residence. Similarly,

⁶⁵ Robinson v. Levy, 20 N.J. Misc. 444, 28 A.2d 651 (1941).

See also Piazza v. Prince's Farm, 86 N.J. Super. 100, 206 A.2d 167 (1964). Claimant lived on employer's farm and was on 24-hour call. He was struck by a car while mailing a letter off his employer's premises. Compensation awarded. *Treatise* cited.

And see Wood v. N.Y. State Dept. of Environmental Conservation, § 24.21 N. 10 *supra*.

⁶⁶ Larson v. Industrial Acc. Comm'n, 193 Cal. 406, 224 P. 744 (1924).

⁶⁷ Finnegan v. Biehn, 276 N.Y. 50, 11 N.E.2d 348 (1937).

⁶⁸ Kozol v. Hasenohrl, 271 App. Div. 853, 66 N.Y.S.2d 64 (1946), *md'f'd*, 271 App. Div. 939 (1947).

⁶⁹ Giliotti v. Hoffman Catering Co., 246 N.Y. 279, 158 N.E. 621 (1927).

⁷⁰ As illustrating this point, see Schulz v. Handi-Man Co., 286 App. Div. 903, 142 N.Y.S.2d 180 (1955). Porter's heart attack from exertion in removing flood water from rent-free apartment on premises compensable.

Cf. Davis v. University of Del., 240 A.2d 583 (Del. 1967) *rev'g* 233 A.2d 159 (Del. Super. 1967). Clamant, a graduate student and salaried consultant for the university, was given a grant by the Friends Foundation to cover her room, board, tuition, and expenses. She lived in a dormitory as

when a logger is injured by the falling of a tree from the bunk above into his open mouth,⁷¹ by an assault in the bunkhouse at the hands of a crazed co-employee,⁷² or by falling out of the upper bunk of a double-decker bed,⁷³ the relation between the required living conditions and the injury is still sufficient to support an award. An even stronger case is that of the strikebreaker who, while living in the employer's bunkhouse, was killed during the night by a bomb thrown by a striker.⁷⁴

But when the distinct link between the conditions under which claimant is compelled to live and the nature of the injury is no longer apparent, most jurisdictions will deny com-

part of her compensation from the university, and was injured during a fire drill there. The Superior Court granted a summary judgment dismissing the tort action, on the ground that the injury was within the Compensation Act, but the Supreme Court of Delaware reversed on the ground that there was a sufficient issue of fact as to the claimant's situation to make issuance of a summary judgment improvident.

⁷¹ *Holt Lumber Co. v. Industrial Comm'n*, 168 Wis. 381, 170 N.W. 366 (1919).

⁷² *John H. Kaiser Lumber Co. v. Industrial Comm'n*, 181 Wis. 513, 195 N.W. 329 (1923).

See also *Argonaut Ins. Co. v. Workmen's Compensation Appeals Bd.*, 247 Cal. App. 669, 55 Cal. Rptr. 810 (1967). Claimant worked on a ranch, and lived on the premises. On a day off, he engaged in some horseplay with another employee, and after throwing some Kool-Aid in the other's face, claimant was pushed through a glass door. The fact that claimant was not required to be on the premises on that particular day was held not to exclude him from the operation of the "bunkhouse rule." Compensation awarded.

Cf. Johnstone v. State, 204 Misc. 239, 122 N.Y.S.2d 734 (1952). A cleaning woman who lived on the premises of the state hospital was injured when a patient threw herself on her while claimant was kneeling at Mass held on her day off on the premises of the hospital. The injuries were held not to have arisen out of her employment. This decision seems wrong in principle, both because the injury occurred on the premises and because the source of harm was strongly associated with the employment.

⁷³ *Totton v. Long Lake Lumber Co.*, 61 Idaho 74, 97 P.2d 596 (1939).

⁷⁴ *Malky v. Kiskiminetas Valley Coal Co.*, 278 Pa. 552, 123 A. 505, 31 A.L.R. 1082 (1924).

pensation, even though the source of injury is the exact kind of neutral or personal act which grounded recovery in the case of "on-call" employees. Thus, compensation was denied to a hotel maid who fell during the night while standing on a chair to close her window, since she had fixed hours of work;⁷⁵ to a resident nurse who slipped in her bath, on the same ground;⁷⁶ to hotel laundress doing her own laundry after hours;⁷⁷ to a chambermaid burned while curling her hair after hours, using an alcohol lamp in violation of rules;⁷⁸ and to a domestic servant who, on a free evening, fell on the stairs while on her way out to engage in free-lance baby-sitting.⁷⁹

⁷⁵ *Brusven v. Ballord*, 217 Minn. 502, 14 N.W.2d 861 (1944).

⁷⁶ *Hall v. City of New York*, 282 N.Y. 708, 26 N.E.2d 822 (1940).

⁷⁷ *Daly v. Bates & Roberts*, 224 N.Y. 126, 120 N.E. 118 (1918).

Brien v. Wisconsin Pub. Serv. Co., 166 Wis. 24, 163 N.W. 182 (1917).

Callahan v. Martin K. Eby Constr. Co., 192 Kan. 814, 391 P.2d 315 (1964). Claimant damaged one eye by accidentally spraying some rust remover in it. At the time of the accident he had been told to "knock off" work, and was in the employer's house where he had slept the previous night. Compensation denied.

⁷⁸ *Kraft v. West Hotel Co.*, 193 Iowa 1288, 188 N.W. 870, 31 A.L.R. 1245 (1922).

Reed v. Loon Lake Hotel, 283 App. Div. 763, 128 N.Y.S.2d 112 (1954). Compensation denied to a hotel waitress for a lacerated nose sustained as a result of dog scratches while she was sleeping. Contrary to rules, she kept her dog in the room and sometimes it slept in her bed.

⁷⁹ *Edmonds v. Industrial Acc. Comm'n*, 350 Ill. 197, 183 N.E. 12 (1932).

Rosen v. Industrial Acc. Comm'n, 239 Cal. App. 2d 748, 49 Cal. Repr. 706 (1966). Claimant and his wife had an agreement with defendant landlord, under which they were to perform certain services in return for a \$25 monthly reduction in rent. Claimant was injured on the premises while leaving on a personal mission. The court held that while the injury would have been compensable if it had occurred while work was being done for the landlord, it was not the legislative intent to extend the "bunkhouse" rule to situations such as this. Compensation denied.

Bauman v. Baltz, 20 A.D.2d 934, 248 N.Y.S.2d 941 (1964), *aff'd* 267 S.2d 214, 267 N.Y.S.2d 214, 214 N.E.2d 376 (1965). Claimant, a chambermaid and waitress, was injured while away from her employer's premises, where

As mentioned at the beginning of the section, a broader coverage than this could be argued for on the analogy of lunch-time and rest-period injuries to factory workers. It seems clear that if a plant worker, during a rest period on the premises, stood on a chair to open or close a window, he would receive compensation for any injuries sustained as a result. If so, it might well follow that an employee forced to sleep on the premises should receive similar treatment, since both are on the premises, outside official working hours, indulging in the same activity: resting.

A few later cases indicate the beginning of a movement in this direction. Just a year after the *Hall* case,⁸⁰ denying compensation to a nurse who slipped in her bath on an off day, the New York Appellate Division awarded compensation to an attendant at a children's home who sometimes worked overtime, and who was injured when she got up at night to open the window.⁸¹ And in 1949, without so much as mentioning the *Hall* case, the same court handed down the following terse opinion: "Deceased was employed as a porter in hospital. As part of his compensation he was furnished room, board and laundry. He fell in the bathroom in the building of his employer where he roomed. Death resulted. Award unanimously affirmed."⁸² There is nothing here to indicate that the porter was on duty when injured; if there had been such evidence, it would probably have been mentioned, since it would have removed all doubt. The same trend was continued in *Walker v. Narolewski*,⁸³ in which a cook and dishwasher, who received

she lived, on her day off. She was not required to leave, and was free to do what she desired. Compensation denied.

⁸⁰ N. 76 *supra* this subsection.

⁸¹ *Culver v. Sevilla Home for Children*, 262 App. Div. 620, 30 N.Y.S.2d 917 (1941).

⁸² *Madigan v. United Hosp.*, 274 App. Div. 1077, 85 N.Y.S.2d 475 (1949).

⁸³ *Walker v. Narolewski*, 6 A.D.2d 735, 174 N.Y.S.2d 411 (1958), *aff'd*, 7 N.Y.2d 835, 164 N.E.2d 726, 196 N.Y.S.2d 709 (1959). *Treatise* cited.

Galvez v. Gold Coast Enterprises, Ltd., 23 A.D.2d 600, 256 N.Y.S.2d 436 (1965). Claimant received room and board as part of his wages. He was hurt

\$25 per week and room and board, injured his hip when he slipped on the waxed floor, having got out of bed because he had a "charlie horse." An award was affirmed.

Simply walking on the employer's premises, outside fixed work hours, has been held in Connecticut to be within the course of employment, in *Carroll v. Westport Sanitarium*.⁸⁴ Here a resident maid, whose time was her own after 7:00 in the evening, had gone to visit her sister. On her return, while walking along a path toward the cottage where she was required to reside, she stepped on a clinker and was injured. Note that she had no active duties until the following morning, and was completely free to come and to as she chose at the time of the accident. The court brought the case within the category of injuries to resident employees on the premises, although clearly a fall at some point off the premises would have been noncompensable. It will be seen that the case resembles *Caney v. Straight*,⁸⁵ in which the summer resort cook fell while visiting a co-employee's cottage on the premises, the only difference being the presence of the "on-call" element in the latter case, although the injury occurred during a rest period. The *Carroll* case, then, represents a step in the direction of assimilating all resident employee cases to the broader rule of the "on-call" employee cases.

Arizona has produced a similar holding in the case of an employee working at the Grand Canyon and living in an apartment rented from the employer.^{85.1} On her day off, the claimant had sustained injuries in a fall on the steps outside of her apartment. The Arizona Supreme Court held that, be-

on his day off while going from his room to the kitchen to prepare a meal for himself. Compensation awarded.

Hubbard v. Marsh, 26 A.D.2d 718, 271 N.Y.S.2d 1006 (1966). Claimant, a waitress, received only a room on the employer's premises, plus tips, for her work. She was injured after working hours when she slipped on the stairs. Compensation awarded.

⁸⁴ 131 Conn. 334, 39 A.2d 892 (1944).

⁸⁵ § 24.21 N. 31 *supra*.

^{85.1} *Hunley v. Industrial Commission*, 113 Ariz. 187, 549 P.2d 159 (1976).

cause the claimant did not own a car and was employed in a remote area, the south rim of the Grand Canyon, which offered no other reasonable housing alternative than to rent from the employer, the claimant was within the orbit of her employment when she used the premises, even though she was off duty. The evidence showed that the only other choice open to the employee was to purchase a mobile home—and this was beyond her financial resources.

Since an injury to a resident employee which takes place off the premises is usually not covered even when the employee is on call, *a fortiori* the same result would be expected when the employee is not on call. So compensation has been denied to a housekeeper taking a walk on a public highway after her day's duties were over,⁸⁶ on a construction worker at a remote site driving to town for lunch,⁸⁷ and to a college student working at a resort swimming in a pool not on the employer's premises.⁸⁸

Just as in the case of traveling employees, the "camp show" cases involving entertainers in far-off places have led the way in broadening coverage of recreation and other incidental ac-

⁸⁶ See *Firemen's Fund Indem. Co. v. Industrial Acc. Comm'n*, 39 Cal. 2d 529, 247 P.2d 707 (1952). Cook-housekeeper living on the premises regularly took short walks for her health during a free time in her working day. She missed her walk one day in order to care for her employer who was sick, and left for her walk at end of working day with her employer's permission. She fell and broke her leg on a public highway about 50 feet from her employer's premises. Compensation denied on the ground that she was engaged in a personal recreational activity and the injury did not occur on the premises. The dissent contended that she was really an on-call employee and that such an act for personal convenience need not be done on the premises for compensation to be awarded.

⁸⁷ *Guido v. Terrarube Constr. Corp.*, 10 N.Y.2d 858, 178 N.E.2d 913, 222 N.Y.S.2d 690 (1961). The employees were furnished housing at the site, where they also cooked and ate their lunches. Three employees got tired of their own cooking and habitually drove a company jeep two miles to town for lunch. One employee was killed on a trip back to work.

⁸⁸ *Liberty Mut. Ins. Co. v. Industrial Acc. Comm'n*, 39 Cal.2d 512, 247 P.2d 697 (1952), *rev'd* 239 P.2d 485. Although the pool was not on the employer's own premises, its use was taken for granted by the employees of this employer.

tivities;⁸⁹ so in the case of resident employees, there is developing a line of cases involving overseas construction workers, workers in camps, and the like, marked by unusual breadth in the compass of coverage. The trend was probably started by the decision of the United States Supreme Court in *O'Leary v. Brown-Pacific-Mazon, Inc.*⁹⁰ Here there had been provided, for the use of contractors' employees working on Guam, a recreational area near the shore, to which employees were taken without charge in company buses. On a Sunday, decedent was about to board the bus and leave the recreation area when he saw a stranger drowning in the surf, at a point where swimming was forbidden. His death while attempting a rescue was held to be compensable by the United States Supreme Court. The rescue point is dealt with later;⁹¹ here it is interesting to observe that the Supreme Court was prepared without discussion to include the time spent at the recreation area on Sunday within the employment.

The federal courts have made the major contribution to this trend. Thus, in *Hastorf-Nettles, Inc. v. Pillsbury*,⁹² an employee

⁸⁹ See § 25.23 *infra*, and also reference to this factor at § 24.21 Ns. 41 and 42 *supra*.

⁹⁰ 340 U.S. 504, 71 S. Ct. 470, 95 L. Ed. 483 (1951).

⁹¹ See § 28.20 *infra*.

⁹² 203 F.2d 641 (9th Cir. 1953).

Smith, Hinchman & Grylls Associates, Inc. v. O'Keefe, 222 F. Supp. 4 (M.D. Fla. 1963). *O'Leary* doctrine applied in the death of a civilian employee working in Korea under two-year contract. The employee drowned while hauling gravel across a lake to a friend's hunting lodge during the Memorial Day weekend holidays. Compensation awarded. This award was reversed by the Fifth Circuit, 327 F.2d 1003 (5th Cir. 1964), and reinstated by the Supreme Court, *O'Keefe v. Smith, Hinchman & Grylls Associates*, 380 U.S. 359, 85 S. Ct. 1012, 13 L. Ed. 895 (1965), largely on the strength of the *O'Leary* case, Harlan, Clark and White, J.J., dissenting, and Douglas, J., *dubitante*.

Pan Am. World Airways, Inc. v. O'Hearne, 335 F.2d 70 (4th Cir. 1964), *rev'd* 221 F. Supp. 515 (E.D. Va. 1963). Civilian employee, assigned a 45-day temporary duty on the Island of San Salvador, was killed in a jeep accident en route back to his quarters from a native beer tavern. The em-

of a subcontractor on Labor Day went by rail to the labor camp, where he stayed, for recreation. No recreation facilities were provided at the labor camp, which was located on a military base in Alaska. A driver of the contractor met the claimant, who was about to entrain to return to the camp, and invited him to return to camp with him in a truck owned by the contractor. The driver had checked the truck out for the recreational trip. On the return trip, about three miles from the camp, an accident occurred. It was held that the injury was compensable, because of the isolated location of the employment, its remoteness from available recreation, and the benefit to the employer and the employee "of recreation as an economic factor in industrial relations."

The federal cases reached their logical conclusion in *Self v.*

ployer had furnished such refreshments at the "Reef Club"; thus, the trip to the native tavern was unnecessary. Compensation was awarded by the Deputy Commissioner, reversed by the District Court, and reinstated by the Circuit Court on the basis of the *O'Leary* case. Certiorari was denied, 85 S. Ct. 1080 (1965). To make the situation even more complex, *Gondeck*, the companion of the man killed in the *O'Hearne* case, was also killed, but his case came up in the Fifth Circuit, which denied compensation in *Gondeck v. Pan Am. World Airways*, 299 F.2d 74 (5th Cir. 1962), and cited the denial as a precedent in the *Smith, Hinchman & Grylls Associates* case, which, as we have just seen, was itself reversed by the Supreme Court. The Supreme Court, however, had earlier denied certiorari in the *Gondeck* case (370 U.S. 918, 82 S. Ct. 1556, 8 L. Ed.2d 499 (1962)). Nevertheless, the Supreme Court cited in support of the *Smith, Hinchman & Grylls Associates* case the Fourth Circuit award for Smith's death in the *O'Hearne* case, but did not mention the Fifth Circuit denial of compensation for the death of Smith's companion, *Gondeck*, or its refusal of certiorari in the *Gondeck* case.

As if this were not enough, another case, most unhelpfully named *O'Keeffe v. Pan Am. World Airways, Inc.*, but no relation to any previously cited *O'Keefe* or *Pan American* cases, came up the Fifth Circuit route to the Supreme Court. In this case, the scene was Grand Turk Island and the death was the result of a motor scooter accident in the course of a social visit. The Deputy Commissioner made an award, the District Court reversed, the Fifth Circuit reinstated, and the Supreme Court denied certiorari. 338 F.2d 319 (5th Cir. 1964), 380 U.S. 951, 85 S. Ct. 1083 13 L. Ed. 895 (1965) (see statement in dissent). The statement of Wisdom, J., that "The *Gondeck* case stands alone . . ." is even more true now than when he made it.

*Hanson.*⁹³ The claimant was a stenographer who worked for a construction company on the island of Guam. As a basic principle, the court recognized that, on Guam, an employee is so isolated that the employer has an obligation to provide recreational facilities and opportunities. The stenographer, Miss Williams, also taught an adult night school class near the Air Base. The construction company vehicles were available to the employees, since no other form of transportation existed on the island. Shortly after Miss Williams was promoted to be Mr. Mussy's private secretary, he agreed to pick her up after night school and return her to the women's quarters. Instead of heading east to her quarters, he drove west to the end of scenic Crystal Breakwater and parked. There ensued a vehicle accident in which Miss Williams was permanently injured. The court held that the injury was in the scope of employment, because returning Miss Williams to the women's quarters, regardless of the extent of the recreational deviation, remained an employer provision of transportation and recreation.

The factor of the isolated character of the employee's work location also played a part in *Leonard v. Peoples Camp Corporation*.⁹⁴ The decedent worked as a laborer in a camp. He

⁹³ 305 F.2d 699 (9th Cir. 1962).

⁹⁴ 9 A.D.2d 420, 194 N.Y.S.2d 863 (1959) *aff'd*, 9 N.Y.2d 652, 173 N.E. 2d 66, 212 N.Y.S.2d 69 (1961).

Northern Corp. v. Saari, 409 P.2d 845 (Alaska 1966). Decedent was employed on a construction site at an air base in Alaska. He was not required to live there, but weather conditions made travel very impracticable. The employer provided living facilities, and arranged for employees to use the officer's club at the air base. Decedent was fatally injured while returning to his room from the club early Sunday morning. Death benefits awarded. *Treatise cited.*

Anderson v. Employers Liab. Assur. Corp., 498 P.2d 288 (Alaska 1972). Claimant was employed as an electrical lineman at a remote site in the Aleutian Islands. He was provided with living quarters on the employer's premises and free food, as well as a bar and recreational activities also provided by the employer. Claimant had regular hours of work, but was on 24-hour call. After entering into a wager with another employee as to who could climb a pole the fastest, claimant got his equipment and proceeded to climb

drowned in the lake while swimming on his day off. The court held that the existence of recreational facilities was an additional inducement of hire,⁹⁵ and that swimming was a reasonable activity of workmen required to live at a distance from home.

On similar considerations, compensation was awarded to a bartender at a ski resort, who was given a reduced-rate ski-lift pass, and was injured while skiing,^{95.1} and to a graduate

a pole. After a false start, he climbed to the top, and then fell, suffering injuries. The court held that when an on-call employee at a remote jobsite is injured while engaged in reasonable recreational activities, his injuries may be considered compensable, and that under the circumstances, claimant's activities could be considered reasonable, justifying an award of compensation. *Treatise cited.*

⁹⁵ *Roher v. Cherry Grove Hotel & Restaurant*, 20 A.D.2d 593, 245 N.Y.S.2d 173 (1963). Decedent worked for a hotel on Fire Island, several hundred miles away from his home. He was paid wages plus room and board. He drowned while helping to dock his employer's boat after returning from a personal shopping trip. Court held that the use of the boat could be considered an inducement to employment, and also that the employment status continues during the normal activities of an employee required to travel or sojourn at a distance from his home. Compensation awarded.

See also *Dow v. Collins*, 22 A.D.2d 250, 254 N.Y.S.2d 554 (1964). Decedent was working 150 miles from home and was living on his employer's premises. Decedent slept on the island where he worked rather than on the mainland where the other workers stayed. There was evidence that his equipment was on the island, that he worked extra hours, and that he liked to start work early. He was drowned after working hours using his employer's boat, which was permitted. *Held:* Decedent was drowned during a reasonable recreational activity incidental to his employment. Compensation awarded.

^{95.1} *Dorsch v. Industrial Comm'n*, 523 P.2d 458 (Colo. 1974), *rev'g* 33 Colo. App. 168, 518 P.2d 954 (1974). Part of the claimant's remuneration for his employment as a bartender at a ski resort was a season lift pass at a reduced rate. During off-hours, the claimant was injured while skiing. The commission denied compensation. Its decision was affirmed by the appellate court, which held that the scope of the claimant's employment was not an issue of law but a finding of fact, with which they disagreed, but which they were powerless to change. But the Supreme Court of Colorado reversed. The issue was one of law. The relevant tests were (1) the extent to which the employer derived substantial benefit from the recreation policy, beyond in-

research assistant, engaged in cosmic ray studies in the Rocky Mountains, who, having no regular hours of work, went for a hike during a lull and was injured by the collapse of an outcropping of rock.⁹⁶

There are *contra* cases, however, in which the special nature and hazards of the isolated environment have not appeared to affect the outcome. Thus, compensation has been denied to a waiter at a park motel who was severely mauled by a grizzly

tangible morale improvement; (2) the extent to which the activity represented compensation; (3) the extent to which the employment created special dangers; (4) whether the recreation was an inducement to employment; and (5) whether use of the recreational facility was contemplated by the parties at the time of employment. The present case satisfied all these tests. *Treast* cited.

⁹⁶ *Rizzo v. Syracuse Univ.*, 2 A.D.2d 641, 151 N.Y.S.2d 724 (1956). Denial of compensation reversed.

See also: *Doerr v. State*, 129 N.J. Super. 150, 322 A.2d 491 (1974). The widow of a deceased member of the National Guard filed a claim for dependency benefits. The claim was filed under N.J.S.A. 38A: 13-1 which provides that death is compensable if it was incurred in the line of duty. On a Sunday, her husband and two other men died as a result of an explosion of one or more dud rounds of ammunition during a two-week stint in National Guard Service. The deceased and the other two men had entered a firing range to collect, as souvenirs, parachutes from artillery illumination rounds. The New Jersey Department of Defense denied benefits, holding that the deceased was not engaged in a work-connected activity when he was killed and that he was guilty of wilful neglect, since he was aware of the inherent dangers of being present on the firing range. The superior court reversed the decision and awarded benefits. It held that a liberal construction should be given to the phrase "in the line of duty" as provided in the pertinent statute, N.J.S.A. 38A: 13-1, considering the guardsman's dedication to public duty. While the claimant had no military duties on the day in question, he was in a duty status and pay status at the time of the accident. By seeking souvenirs with the other two men, the claimant did not deviate too far from the suggestion that the guardsmen engage in group activities or take trips to not too distant places. An employer who brings employees to an area far from his home has a responsibility which goes beyond that which the employer would have if the employees were stationed at the regular place of employment where they would have access to familiar types of recreation during off-duty hours. The decedent suffered death from a risk reasonably incidental to his employment and while he was doing what a man so employed may reasonably do.

woods who was attacked by a deer in the course of a walk,⁹⁷ to an employee attending an out-of-town company training school who was killed returning from a holiday picnic the employees had planned for themselves,⁹⁸ and to a kitchen helper in a boys' summer camp injured during his free time while engaged in gymnastics at a neighboring camp.¹⁰⁰

§ 24.40 Residence on premises permitted but not required

When residence on the premises is merely permitted, injuries resulting from such residence are not compensable under the broad doctrines built up around employees required to reside on the premises. This distinction has been applied when the source of injury was the burning of the bunkhouse,¹

⁹⁷ *Williams v. Glacier Park Co.*, 140 Mont. 440, 373 P.2d 517 (1962).

⁹⁸ *Sally v. 500 Bushel Club*, 332 Mich. 286, 50 N.W.2d 781 (1952). See criticism of this case at § 8.42 N. 82 *supra*.

⁹⁹ *Grice v. National Cash Register Co.*, 250 S.C. 1, 156 S.E.2d 321 (1967). The court held that, although decedent had been working at a distant place, the employment in no way created the risk which resulted in his death. Death benefits denied.

¹⁰⁰ *Diperri v. Boys Bhd. Republic of N.Y.*, 37 A.D.2d 317, 325 N.Y.S.2d 335 (1971). Claimant, after a three-day break, was instructed to return on Sunday evening to be prepared to work the following morning. He returned as directed, and since he had some free time went with some fellow employees to a nearby camp, where he was injured while engaging in gymnastics in the recreation room. The court held that the mere fact that claimant was engaged in a reasonable personal activity while compelled to be away from home did not of itself make the injury compensable, and since claimant was not obliged to seek recreation at the neighboring camp, the injury was not compensable.

¹ *Connecticut: Guiliano v. Daniel O'Connell's Sons*, 105 Conn. 695, 136 A. 677, 56 A.L.R. 504 (1927).

New York: McQuivey v. International Ry., 210 App. Div. 507, 206 N.Y. Supp. 851 (1924).

Texas: Wallace v. Texas Indem. Ins. Co., 94 S.W.2d 1201 (Tex. Civ. App. 1936).

tent,² or other residence furnished by the employer,³ a fall from a porch,⁴ a fall down stairs,^{4,1} injury going toward or coming from the residence,⁵ electrocution,⁶ collapse of the hut in a high wind,⁷ destruction of a trailer by a tornado,⁸ and

² *Thornton v. Louisiana-Mississippi Pipeline Constr. Co.*, 214 Miss. 314, 58 So.2d 795 (1952). Compensation denied with very little discussion of compulsion problem or practice of the employer.

³ *Barrick v. Pocono Highland Camp*, 208 Pa. Super. Ct. 72, 220 A.2d 662 (1966). Decedent was working at summer camp, where he had received room and board plus wages. However, the season was over, and the employees were living in the administration building while doing clean-up work. They were not required to live there, and were not on 24 hour call. Decedent was killed in a fire after his working hours. *Held*: Decedent was not in the course of his employment when killed. Compensation denied.

⁴ *Associated Oil Co., v. Industrial Acc. Comm'n*, 191 Cal. 557, 217 P. 744 (1923).

^{4,1} *Munz v. L&J Plumbing and Heating Co., Inc.*, 49 A.D.2d 977, 374 N.Y.S.2d 365 (1975). The decedent's death was held noncompensable. Following his separation from his wife, he moved into the employer's building. He died from an after-hours fall down the stairs while going either to the lavatory or to the basement. The living arrangement was for the decedent's own benefit, and he was off duty at the time of the accident. The employer merely acquiesced in the decedent's living on the business premises.

⁵ *Guastelo v. Michigan Cent. R.R.*, 184 Mich. 382, 160 N.W. 484, L.R.A. 1917D 69 (1916).

Groff v. Uzzilia, 1 A.D.2d 273, 149 N.Y.S.2d 651 (1956), *aff'd*, 2 N.Y.2d 840, 140 N.E.2d 873, 159 N.Y.S.2d 980 (1957). Employee living on premises at employer's request not entitled to compensation for fall on staircase leading to sleeping quarters following Christmas celebration. *Treatise* quoted.

McGrath v. Chautaugua County Home, 26 A.D.2d 881, 274 N.Y.S.2d 219 (1966). Claimant lived on the premises but paid \$25 a month for lodging. Originally claimant had been required to live on the premises, but this was no longer true, and no new employees were allowed to live there. Claimant was injured after working hours as she was leaving the Home. Compensation denied.

⁶ *Danville, U. & C. Ry. v. Industrial Comm'n*, 307 Ill. 142, 138 N.E. 289 (1923).

⁷ *Philbin v. Hayes* [1918] 87 L.J.K.B. (n.s.) [1918] W.C. & Ins. Rep. 194, 119, L.T.R. (n.s.) 133, 62 Sol. Jo. 519, 34 Times L.R. 403, [1918] W.N. 166, 11 B.W.C.C. 85 (C.A.).

⁸ *Williams v. Northern Dev. Co.*, 425 P.2d 594 (Wyo. 1967). At the re-

various other hazards not directly associated with the employment.⁹ The theory is that when residence is mandatory, it is the constraints and obligations of the employment that subject the employee to the risk that injured him, while if the residence is optional,¹⁰ the employee is free to do as he pleases

quest of the employer, claimant moved her trailer onto its property, and was given her electricity and water. She was injured when a tornado demolished the trailer. The court found that claimant was not required to be on the premises when the tornado struck, and the injury was not compensable.

⁹ *Aquino v. Industrial Comm'n*, 8 Ariz. App. 444, 447 P.2d 259 (1968). Claimant, by his own choice, chose to live in a camper at the job site, rather than commute to work from his home. A short time prior to quitting time he removed a piece of ice from the cooler which was used on the job, and was preparing to carry it to his camper when he injured his arm. Injury held to have occurred while claimant was on a personal mission, and therefore was not compensable.

Nevada Indus. Comm'n v. Holst, 83 Nev. 497, 434 P.2d 423 (1967). Claimant lived at the job site in a trailer furnished by the employer, although other employees chose to live in Las Vegas and commute to work. He was injured on his day off while at a golf driving range provided by the employer. Compensation was denied, the court holding that the employer received no tangible benefit from the recreational activity, and that since claimant did not have to live at the site, a "zone of special danger" had not been created by the conditions of the employment. *Treatise* cited.

Brooks v. New York State Dep't of Correction, 26 A.D.2d 850, 273 N.Y.S.2d 1001 (1966). Decedent was killed at 3:00 A.M. in a car accident on the grounds of defendant hospital. He lived on the premises, but was not required to do so, and had to pay a monthly rental, although it was lower than community standards. Employees living on the premises were subject to call in an emergency, but so were those living within the hearing range of the emergency whistle. Compensation denied.

Medina v. Shore Road Hospital, 4 A.D.2d 974, 167 N.Y.S.2d 637 (1957). Hospital waiter and assistant cook, permitted to live on premises, cut off two fingers while cutting a lemon for himself. Compensation denied.

Contra, Barbarise v. Overlook Hosp. Ass'n, 88 N.J. Super. 253, 211 A.2d 817 (1965). Claimant, a nurse, lived on the premises of her employer, but was not required to do so. She was injured while off duty in the residence. Compensation awarded. *Treatise* quoted.

¹⁰ If the employee has the option at the beginning of his employment to reside or not to reside on the premises, and chooses the former, he is "required to live on the premises" from that time on. *State Compensation Ins. Fund v. Industrial Acc. Comm'n*, 194 Cal. 28, 227 P. 168 (1924).

and there is no continuity of employment obligation of any kind during the time the employee is voluntarily sleeping in a place provided for his convenience by the employer.

Logically, however, even in the absence of a requirement in the employment contract, residence should be deemed "required" whenever there is no reasonable alternative, in view of the distance of the work from residential facilities or the lack of availability of accommodations elsewhere. It is possible that several of the cases have failed to give sufficient weight to this kind of "requirement," and have stressed too heavily the absence of a formal requirement in the contract of employment. Thus, in the *Philbin* case,¹¹ most of the workers lived in the employer's huts because otherwise there would not have been accommodations for all. Yet the court denied compensation for injury due to the collapse of the hut on the argument that the employee had as much right to live elsewhere as did the employees who succeeded in obtaining accommodations in private quarters. And in the *Guastelo* case,¹² the court said, "While, owing to the nature of the work, which at times was remote from where men could secure accommodation, it was customary for defendant to furnish bunk cars on a siding near the work for the laborers to use if they desired, free of charge, it was not compulsory for them to do so, and some did not." This statement appears to place too much importance upon technical compulsion and not enough upon the compulsion of circumstances.

The better view is that expressed in *Allen v. D. D. Skousen Construction Company*,¹³ and the cases there relied upon. The only alternative to living at the construction site, in this case, was to walk 12 miles to the nearest town and 12 miles back. The employer therefore allowed claimant to pitch his tent on the site. While claimant was preparing his own breakfast, a

¹¹ *Philbin v. Hayes*, N. 7 *supra* this subsection.

¹² *Guastelo v. Michigan Cent. R.R.*, N. 5 *supra* this subsection.

¹³ 55 N.M. 1, 225 P.2d 452 (1950).

can of gasoline near his tent because of the manner, and claimant was injured. Compensation was awarded. The principle point discussed was whether claimant must show that he was required to live on the premises. The court concluded that it was sufficient if, in view of the nature of the employment setting and the accommodations available, it was contemplated (as distinguished from required) that claimant should utilize the employer's bunkhouse or other on-premises sleeping facilities. For example, in *Wilson Cypress Company v. Miller*,¹⁴ the employer furnished a house boat for such employees as wished to sleep there. An employee was sleeping in the houseboat and lost his life when it was destroyed by fire. The court said:

"The law is well settled to the effect that when the contract of employment contemplates that the employee shall sleep on the employer's premises, as an incident to the employment, and is injured while not engaged on a purely personal mission, the injury is compensable. [Citing cases]

"In this case Miller [the employee] was not required to sleep on the house boat. He could have held the job without sleeping there. The employer furnished the house boat, without cost to the employees, for the obvious purpose of furthering his business. It cannot be argued seriously that the employer did not contemplate the use of the boat to sleep his employees. The case comes within the well known bunk-house rule."¹⁵

¹⁴ 157 Fla. 459, 26 So.2d 441 (1946).

¹⁵ 26 So.2d 441, at p. 442.

For cases in accord, see:

Arizona: Hunley v. Industrial Commission, 113 Ariz. 187, 549 P.2d 159 (1976). On her day off, the claimant sustained injuries in a fall on the steps outside of her apartment. The court held that, because the claimant did not own a car and was employed in a remote area, the south rim of the Grand Canyon, which offered no other reasonable housing alternative than to rent from the employer, the claimant was within the orbit of her employment when she used the premises, even though she was off duty. The evidence

showed that the only alternative open to the employee was to purchase a mobile home—and this was beyond her financial resources. **Treatise** quoted.

California: Aubin v. Kaiser Steel Corp., 185 Cal. App.2d 658, 8 Cal. Rptr. 497, 25 Cal. Comp. 217 (1960). An employee worked in desert area and lived in a dormitory. Fatal accident at beginning of recreational trip while still on employer's property. Widow's sole remedy was workmen's compensation.

Truck Ins. Exch. v. Industrial Acc. Comm'n, 27 Cal.2d 813, 167 P.2d 705, 707 (1946).

Nebraska: See Bourn v. James, 91 Neb. 635, 216 N.W.2d 739 (1974). § 24.21 N. 29 *supra*.

New York: Lane v. Fort Neck Dredging Co., 28 A.D.2d 949, *aff'd*, 22 N.Y.2d 965, 295 N.Y.S.2d 333, 242 N.E.2d 485 (1968) 281 N.Y.S.2d 622 (1967). Decedent's contract provided for living quarters and meals on the dredge where he worked for \$8.75 per week, with an allowance of \$10 if such facilities were not available. Since they were not, decedent lived on shore, and was killed on his way to the dredge. *Held:* The substitution of living quarters created a new work-connected hazard to which decedent was exposed, and the death was compensable.

Broman v. A. Brassard, Inc., 35 A.D.2d 142, 314, N.Y.S.2d 850 (1970). Claimant worked at a job site a considerable distance from his home. He wished to reside near the site, and he and several other employees were given permission to reside on the premises while the work was being done. Claimant was injured while off work, but on the premises. Award of benefits affirmed, the court holding that although the reason for residing on the premises might have been purely personal, the employer benefitted, in that it permitted claimant to work overtime to complete the project.

South Carolina: Jolly v. South Carolina Indus. School for Boys, 219 S.C. 155, 64 S.E.2d 252 (1951). Injury while painting apartment furnished rent free. Compensation awarded

Wisconsin: Muson v. Industrial Comm'n 248 Wis. 192, 21 N.W.2d 265 (1946).

SCOMM

3.13

Worker's Compensation Committee of Alaska (WCCA)
P.O. Box 1647
Anchorage, Alaska 99501

Mr. Brian D. Rogers
Box K
College, Alaska 99708

Dear Representative Rogers:

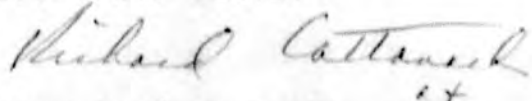
The Worker's Compensation Committee of Alaska (WCCA) is a political action committee. The committee was formed by a group of Alaskan employers concerned about the economic impact on business of the workers' compensation system in Alaska.

The committee does not want to deprive workers of legitimate benefits. Our objectives are to establish a mechanism for the handling of disputed claims, to encourage a well structured rehabilitation program, and to establish an awareness of the fact the workers' compensation costs are passed on directly to the consumer.

To these ends, we have been actively working with and communicating with employers and employer groups all over the State. We have encouraged these employers and groups to appear at hearings on Workers' Compensation offering input based on a wide range of experiences, and showing the broad base of employer concerns with the problems in the current system.

At this time, we are enclosing an information booklet on the status of the present Workers' Compensation law and our Position Paper outlining our recommendations for legislative and administrative changes in the Workers' Compensation system in the State of Alaska. If you desire any further clarification of our position, WCCA will be happy to provide you with additional information.

Very truly yours,



Board of Directors
Worker's Compensation Committee of Alaska

Howard Addison, Tesoro Alaska Petroleum Co.
Richard Cattanch, Unit Company, Alaska Chapter, AGC
Ann Cox, DHL Worldwide Express
Howard Cutter, Alyeska Pipeline Service Co.
Ken Kleker, J.B. Gottstein and Co.
Bud Obermeyer, INA/Alpac
Don Scott, NANA Regional Corp.
Jan Sloan, Clary Insurance Agency
Tom Tierney, Corroon & Black/ Dawson & Co.
Jack Thompson, Air Van Lines
Ike Waldrop, Alaska Chapter, NECA
David Wilkes, American Federation of Business

Workers' Compensation in the State of Alaska:
An Introduction

December 13, 1980

Prepared by
The Workers' Compensation Committee of Alaska (WCCA)

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INTRODUCTION AND PURPOSE OF REPORT

In 1978, the cost of Workers' Compensation insurance in the State of Alaska had increased a total of 132% over the rates in effect in 1968. This dramatic leap in premiums and fees paid by Alaska Employers (as required by law) for the financial protection of their employees for on-the-job injuries resulted in the formation of the Alaska Conference of Employers. This non-profit corporation is helping to determine strategy to reduce Worker's Compensation costs borne directly by all Alaskan employers.

To determine ways which might be effective in containing or reducing costs, the Alaska Conference of Employers contracted with Richard L. Block and Associates to conduct a study. Its purpose was to identify and evaluate strategies which would result in a long term reduction in payroll related costs for the broadest base of Alaskan employers to a level commensurate with employers in the remaining forty-nine (49) states while concentrating on preserving the legitimate entitlement of injured Alaskan workers.

The Workers' Compensation Committee of Alaska is a political action organization dedicated to the task of reforming the current Workers' Compensation Statutes. The Committee was specifically formed for this purpose as well as to encourage a program of rehabilitation and establish an awareness that all Workers' Compensation costs are passed on, in one form or another, to the Alaskan consumer. It is our intention that we present an unbiased as well as informative look into the system and the statutes.

WORKERS' COMPENSATION HISTORY

Workers' Compensation is a means for providing financial reimbursement to an injured worker for wages lost and medical bills incurred due to an on-the-job injury. The program was designed to replace employers' liability statutes and common law remedies and to apply the economic and legal principle of liability without fault.

In the late 19th century, the high industrial injury rate coupled with the difficulty of recovery under existing common law brought about limited statutory relief. Employers' liability statutes as adopted removed or weakened the three (following) defenses available to employers;

1. Contributory negligence-an employee could not recover if his own negligence had been even partly responsible for the injury,
2. The "fellow servant" doctrine-there could be no recovery if a fellow worker's negligence was a contributing cause of injury,
3. Assumption of the risk-no award was allowed if the injury resulted from an inherent hazard of that employment of which the worker was, or should have been, aware.

The objectives of the new compensation laws were;

1. To eliminate wasteful litigation and legal fees
2. To provide predetermined, adequate and prompt benefits through the use of fixed scales.
3. To increase the certainty of payment despite the financial condition of the employing business

However, despite the changes made in the law in general which were less than satisfactory, each state labored with its own problems of its' employers.

HISTORY OF WORKERS' COMPENSATION IN ALASKA

- 1915 - First Workers' Compensation Law passed covering mining industry only
Permissive law-allowing employer and employee to choose or reject coverage
- 1923 - Broadening of the statute
- 1947 - National Council on Compensation Insurance supported the insurance industry by making available advisory rates on behalf of almost all carriers for approval or disapproval by the Alaska Commissioner (new Director) of Insurance
- 1956 - Inauguration of an effective insurance regulatory agency
- 1915 - Underwriters at Lloyds (London) are (near) sole under-
1967 writers in Alaska
- 1968 - Workers' Compensation rates increased 132% between 1968
1978 and 1978
- 1974 - Impact of the Trans-Alaska Pipeline reflects rapid escalation in rates coupled with more workers making additional claims in the high income brackets
- 1976 - In May, Senate Bill 146 made the following changes;
 - 1. A worker became entitled to a benefit equal to two-thirds of his wages at the time of the injury and continuing for the period of disability,
 - 2. Permanent total benefits were payable for the life of the injured worker,
 - 3. Death benefits were payable for the life of the surviving spouse with exceptions.
 - 4. Permanent partial scheduled benefit maximums were doubled,
 - 5. The limit of unscheduled permanent partial benefits were removed,
 - 6. The maximum indemnity benefit was fixed at 100% of the State's average weekly wage with the maximum to increase from 1979 and 1980 rate of 166.7% to 200% for 1981.

STATUS OF PRESENT LAW

Workers' Compensation in Alaska consists of several hundred provisions inclusive in Alaska Statute 23.30. Probably the most serious problem existent in these provisions is the ambiguity and lack of clarity to those for whom the law should benefit... the injured worker. Because of the complexity of workers' compensation law, employers and legal personnel administering it have equal difficulty with its meaning.

One of the goals incorporated in this writing (and indeed of the Workers' Compensation Committee of Alaska) is to provide a better understanding for all the above mentioned in the hope that this law itself might become a better tool.

It is, in the opinion of many, a critical time for change in Alaska's Workers' Compensation System. As the reader is aware, every employer (with one or more employees) must have viable workers' compensation insurance coverage. Under the present law/system, even the smallest employer must carry adequate coverage to protect his employees and sometimes the very existence of his business.

We in Alaska are presently expecting and awaiting another surge in our economy with the construction of the Alas-Can Gas Pipeline. So that equity can prevail for both injured workers and their employers, several provisions relating to disability--both temporary and permanent, partial and total, and finally death, need complete revision.

Before we elaborate on our position on possible changes to the current law and administrative handling of the system, we should compare Alaska Workers' Compensation Law with that of other states;

1. Alaska premiums are the highest of any of the remaining forty-nine (49) states.
2. Alaska benefit levels are also the highest of any state's, even adjusting for the higher cost of living.
3. Alaska has a higher ratio of hazardous occupations covered under Workers' Compensation.

PROPOSED COURSE OF ACTION

It is the intent that each member of WCCA be individually informed to aid others in the community and State-wide as well, to understand needed and recommended reform in the current Alaska Statues. We shall attempt to explain guidelines included in those recommendations listed as well as the general reasons for their inclusion or omission.

As time permits, we as interested, concerned citizens will actively participate and lobby toward those ends to improve the quality of the law for other Alaskans who will become victims of misfortune and for those who must pay to insure the benefits paid those injured.

WCCA will participate in community involvement programs and hopes to be asked to interface with interested personnel from all businesses.

In order to amend, change or add to any of the recommended Alaska Statutes, we shall need a more informed public and a more informed legislative body. To change the administrative systems and other areas of Workers' Compensation will require the dedication of many. It is our hope that many persons from all kinds of Alaska businesses will become involved as they see a need for change.

It is of course understandable that many of those with whom we as members of WCCA come into contact, will not agree with our position. Some, but perhaps not many, will feel that the law as it stands is adequate. We recognize the very fact that perhaps those not in total agreement shall have to have become

more informed to have arrived at that position. This document has been prepared as an overview of a very complex and critical portion of Alaska Law and Procedure, and those for whom the law is to protect have been carefully considered so as to be protected fully. The injured worker is everyone's concern, directly or indirectly. But fairness and equity must exist.

The effect on all business owners, particularly small business owners, should be one for the good. Present high costs to them can be reduced with careful planning. It is necessary to consider the effect of the law as applied to those whose margin of profit is dwindling as costs to operate soar.

IN CONCLUSION

Workers' Compensation costs in Alaska continue to spiral upward at a rate far in excess of other health related programs. This has a direct effect on the prices consumers pay for products and services.

It is the WCCA position that the costs of the Workers' Compensation Program can be contained by legislation encompassing the proposed changes. WCCA feels the injured worker will still derive full benefits under the law if the proposed changes are made to the Workers' Compensation Program of the State of Alaska. We solicit your support on the proposed changes.

Workers Comp

- WCCA → lower benefits for persons earning over \$600/wk pre-injury (by up to 30%)
- limit to 36 mos. permanent partial injury benefits
 - average weekly wage calculation to preceding 52-weeks
 - cease unemployment benefits to WC claimants
 - limit employee selection of doctors
 - reduce WC benefits by amt pd in retirement benefits
 - repeal 23.30.180 automatic presumption total disability
 - encourage utilization of pain clinics
 - segregate premiums + losses for extraordinary construction
- dir WC publish "average or customary" fees for physicians
- compromise + release on medical if Bd approved
- hire additional hearing officers
- workers benefit brochure
- employers w comp brochure
- monitor + regulate self-insured organization
- allow cash flow program / premiums receivable
- allow health care insurers / health & disability to write ^{combined} comp
- accumulate accident year data
- lower assigned risk pool expense loading
- use general fund to subsidize 2nd injury fund
- pay 2nd injury medical from 2nd injury fund
- allow use of 2nd injury funds whenever knowledge that it is 2nd injury.
- allow lump-sum 2nd injury payments

STATE OF ALASKA
DEPARTMENT OF REVENUE
TREASURY DIVISION
Pouch SB
Juneau, Alaska 99811
(907) 465-2351

GENERAL AND SEGREGATED STATE PROGRAM FUNDS

MONTHLY INVESTMENT REPORT

NOVEMBER 30, 1980

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STATE OF ALASKA

DEPARTMENT OF REVENUE

TREASURY DIVISION

AMY S. HAMMOND, GOVERNOR

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STATE OFFICE BUILDING
POUCH 58
JUNEAU, ALASKA 99911
PHONE:

To the Reader:

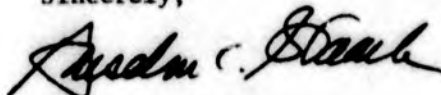
We present herein the investment report of the General and Segregated State Program Funds for November 30, 1980, with year-to-date figures for the Fiscal Year 1981. Accounting procedures used in preparation include:

1. All transactions are recorded on the cash basis, i.e., when cash is received or disbursed.
2. Accrued interest purchased with marketable securities is recorded as an asset that is subsequently charged to income on the first coupon date. Accrued interest purchased with other holdings has not been material and is charged against income at the time of acquisition.
3. Other holdings will be held until repayment at or prior to maturity.
4. The cost of investments represents the amount paid for securities and other holdings.
5. Safekeeping charges are billed to the State and not deducted from operating income. Transaction charges are deducted from operating income at the time securities mature or are sold.

Amounts identified as net contributions from or to the Retirement Funds represent the excess of Retirement Fund payments over contributions or contributions over payments, respectively, during the month as adjusted for investment activity in loans and mortgages. Cash revenues of the State and warrants redeemed are indicated by State contributions from taxes and other receipts and State expenditures, respectively.

For purposes of source and use of funds analysis, we have defined the term "funds" to include demand deposits, clearing cash, savings deposits, purchased interest receivable and repurchase agreements. Funds provided by the loan and mortgage programs, separately invested funds and Alaska deposits are assumed to increase the operating account prior to investment unless specifically identified otherwise. Funds used for loan and mortgage programs, separately invested funds and Alaska deposits are assumed to be withdrawn from the operating account unless specifically identified otherwise.

Sincerely,



Anselm C. Staack
Treasury Comptroller

STATE OF ALASKA
GENERAL AND SEGREGATED STATE PROGRAM FUNDS
INVESTMENT ACTIVITY
NOVEMBER 30, 1980

At the end of November 30, 1980, the General and Segregated State Program Funds totaled \$1,645,404,699.82, down from \$1,683,089,615.28 at the close of the previous month. The operating and marketable securities accounts were increased by \$19,025,067.04 during November. In this period \$135,760,812.31 was received from taxes and other State revenues, while \$180,630,339.09 was used for the payment of State expenditures. Cash and repurchase agreements, including purchased interest receivable, were increased by \$1,897,731.52.

Holdings of short term issues (securities of less than one year maturity) increased by \$12,271,057.21 during November, while holding of intermediate/long term issues (securities of one year or more maturities) remained the same after netting purchases, sales and maturities. Activity included the marketable securities account and separately invested funds.

During November, \$6,334,829.77 was deposited with Alaska financial institutions in thirty (30) day to two hundred ten (210) day certificates of deposit which yield 15.25% to 16.00%. The commitment to loan and mortgage programs amounted to \$420,374,529.74 at month end, of which State loan programs accounted for \$307,365,691.84. The commitment to loan and mortgage programs decreased \$57,377,877.59 during November.

STATE OF ALASKA
GENERAL AND SEGREGATED STATE PROGRAM FUNDS
STATEMENT OF PORTFOLIO ASSETS
NOVEMBER 30, 1980

	Current Month	
	<u>%</u>	<u>Cost</u>
Cash	1 %	\$ 23,170,350.52
Purchased Interest Receivable		223,600.46
Marketable Securities, at Cost:		
Repurchase Agreements	4	59,700,000.00
Short Term Issues	45	741,683,848.66
Intermediate and Long Term Issues	14	229,248,540.67
Total Marketable Securities	63	1,030,632,389.33
Other Holdings, at Cost:		
Commercial Fishing & Agriculture Bank	2	32,000,000.00
Certificates of Deposit	6	93,824,829.77
Debt Certificates	3	45,179,000.00
Bank Loans and Mortgages	3	50,988,890.11
Rural Mortgage Program Bonds		5,600,000.00
Obligations of State Corporations	3	47,506,947.79
State of Alaska Loan Programs	19	307,365,691.84
Loans to Alaska Municipalities		8,913,000.00
Total Other Holdings	36	591,378,359.51
Total Assets	100%	\$ 1,645,404,699.82

STATEMENT OF OPERATIONS/CHANGE IN TOTAL ASSETS

	Current Month	Year-to-Date
Portfolio Operations:		
Interest Income	\$ 12,462,071.09	\$ 71,993,283.71
Net Gain (Loss) on Sale/Maturity of Securities	(25.00)	959,080.12
Total Operating Income	12,462,046.09	72,952,363.83
Beginning of Month Cash and Invested Funds	1,683,089,615.28	2,148,250,283.36
State Contributions from Taxes and Other Receipts	135,760,812.31	700,871,481.27
Net Contribution from Retirement Funds	-0-	-0-
Net Contribution from Permanent Fund	-0-	9,234,109.73
State Expenditures	(180,630,339.09)	(1,251,186,011.46)
Net Contribution to Retirement Funds	(5,277,434.77)	(34,717,526.91)
End of Month Cash and Invested Funds	\$ 1,645,404,699.82	\$1,645,404,699.82

STATE OF ALASKA

GENERAL AND SEGREGATED STATE PROGRAM FUNDS

STATEMENT OF CHANGES IN PORTFOLIO CONDITION

NOVEMBER 30, 1980

	<u>Current Month</u>	<u>Year-to-Date</u>
<u>During the Month Funds were Provided by:</u>		
Portfolio Operations:		
Interest Income	\$ 12,462,071.09	\$ 71,993,283.71
Net Gain (Loss) on Sale/Maturity of Securities	(25.00)	959,080.12
Total Provided by Operations	<u>12,462,046.09</u>	<u>72,952,363.83</u>
Sale/Maturity of Marketable Securities:		
Short Term Issues	265,754,842.72	1,345,456,045.99
Intermediate/Long Term Issues	-0-	2,892,575.00
Total Provided by Sales/Maturities	<u>265,754,842.72</u>	<u>1,348,348,620.99</u>
Collections of Loans and Mortgages:		
State Loan Programs	4,091,842.86	147,611,782.36
Other Loans and Mortgages	648,550.25	206,017,232.21
Total Provided by Collections	<u>4,740,393.11</u>	<u>353,629,014.57</u>
Redemption of Deposit/Savings Certificates	10,810,656.37	67,810,656.37
Taxes and Other State Receipts	135,760,812.31	700,871,481.27
Permanent Fund Income	-0-	9,234,109.73
TOTAL Funds Provided During the Month	<u>429,528,750.60</u>	<u>2,552,846,246.76</u>
<u>During the Month Funds were Used for:</u>		
Purchase of Marketable Securities:		
Short term Issues	283,025,899.93	1,068,243,452.89
Intermediate/Long Term Issues	-0-	34,186,182.50
Total Marketable Securities Purchased	<u>283,025,899.93</u>	<u>1,102,429,635.39</u>
Purchase of Loans and Mortgages:		
State Loan Programs	(49,754,859.51)	(47,802,252.78)
Other Loans & Mortgages	2,117,375.03	58,372,978.84
Total Loans & Mortgages Purchased	<u>(47,637,484.48)</u>	<u>10,570,726.06</u>
Purchase of Deposit/Savings Certificates	6,334,829.77	63,545,486.14
Purchase of Debt Certificates	-0-	-0-
Purchase of Stock - CFAB	-0-	30,000,000.00
State Operating Expenditures	180,630,339.09	1,251,186,011.46
Net Contribution to Retirement Funds	<u>5,277,434.77</u>	<u>34,717,526.91</u>
TOTAL Funds Used During the Month	<u>427,631,019.08</u>	<u>2,492,449,385.96</u>
NET CHANGE IN FUNDS	<u>\$ 1,897,731.52</u>	<u>\$ 60,396,860.80</u>
<u>Summary of Changes:</u>		
Increase (Decrease) in Clearing Accounts	\$ (78,346.22)	\$ (3,056,950.09)
Increase (Decrease) in Demand Deposits	25.00	25.00
Increase (Decrease) in Savings Deposits	19,874,185.19	19,792,896.75
Increase (Decrease) in Compensating Balances	500,000.00	-0-
Increase (Decrease) in Repurchase Agreements	(18,400,000.00)	44,800,000.00
Increase (Decrease) in Purchased Interest Receivable	<u>1,867.55</u>	<u>(1,139,110.86)</u>
NET CHANGE IN FUNDS	<u>\$ 1,897,731.52</u>	<u>\$ 60,396,860.80</u>

STATE OF ALASKA
GENERAL AND SEGREGATED STATE PROGRAM FUNDS
COMPOSITION OF INVESTMENT HOLDINGS

NOVEMBER 30, 1980

Asset Type	% of Total Cost Value	Current Month	
		Cost	Yield
OPERATING ACCOUNT			
Clearing Accounts	38.8 %	\$ 1,244,494.29	N/A
Compensating Balances	61.2	1,965,000.00	N/A
TOTAL	100.0%	3,209,494.29	
MARKETABLE SECURITIES ACCOUNT			
Cash Deposits			
Savings	2.0 %	\$ 19,960,748.61	5.13
Purchased Interest Receivable		217,896.90	N/A
Repurchase Agreements	5.9	59,700,000.00	15.90
Short Term Issues			
Commercial Paper	4.2	42,831,690.00	16.49
U. S. Treasury Bills	6.9	69,821,906.66	12.19
Bankers Acceptances	21.4	216,611,331.40	12.32
Certificates of Deposit	32.7	330,799,792.12	12.05
U. S. Treasury Notes & Bonds	4.9	49,124,232.25	6.71
Federal Agency Securities	2.0	20,000,015.00	8.95
Corporate Bonds		725,015.00	7.08
Total Short Term Issues	72.1	729,913,982.43	11.96
Intermediate/Long Term Issues			
U. S. Treasury Notes & Bonds:			
1 - 2 Years	17.8	179,693,148.75	10.41
Federal Agency Securities:			
1 - 2 Years	1.0	10,000,085.00	6.65
Over 5 Years	.8	8,077,500.00	7.16
Sub-Total	1.8	18,077,585.00	6.88
Corporate Bonds:			
Over 5 Years	.4	4,060,105.00	10.29
Total Intermediate/ Long Term	20.0	201,830,838.75	10.10
TOTAL	100.0%	\$ 1,011,623,466.69	11.69
LOAN AND MORTGAGE PROGRAMS			
State of Alaska Loan Programs			
Business Loans	.6	\$ 2,438,000.00	N/A
Agriculture	.3	1,339,410.54	5.44
Commercial Fishing	17.0	71,578,006.24	7.59
Fisheries Enhancement	1.6	6,886,338.00	7.96
Small Business	22.4	94,101,648.66	8.22
Tourism	1.6	6,883,914.98	8.05
Veterans	29.5	123,902,908.43	6.96
Childcare Facilities		65,550.63	6.03
Historical District	.1	169,914.36	6.56
Total Loans	73.1 %	\$ 307,365,691.84	7.48

Schedule continued on following page

COMPOSITION OF INVESTMENT HOLDINGS - Continued

COMPOSITION OF INVESTMENT HOLDINGS		Current Month	
Asset Type	% of Total Cost Value	Cost	Yield
LOAN AND MORTGAGE PROGRAMS - Continued			
Bank Loan Incentive Program	.8 %	\$ 3,387,856.72	8.64
Mortgage Option Program			
Mortgages	4.3	17,884,305.53	9.16
Business Loans	3.3	13,901,827.85	9.25
Mobile Home Loans	1.3	5,548,355.03	9.50
Total Mortgage Op. Programs	8.9	37,334,488.41	9.25
Obligations of State Corporations			
ASHA Mortgages	.3	1,230,186.08	7.50
AHFC Notes	5.8	24,412,385.58	6.87
ARRC Mortgages		110,530.52	10.00
ASHA Notes	3.6	15,257,845.61	7.00
ASDC Bonds	.2	550,000.00	4.75
MICA Notes	.7	3,000,000.00	7.00
U of A Notes	.7	2,946,000.00	5.00
Total Obligations	11.3	47,506,947.79	6.81
Obligations Pledged to AHFC			
FHA/VA Mortgages	2.5	10,266,544.98	7.09
Rural Mortgage Program Bonds	1.3	5,600,000.00	7.50
Total Pledged	3.8	15,866,544.98	7.24
Loans to Alaska Municipalities	2.1	8,913,000.00	6.00
TOTAL	100.0%	\$ 420,374,529.74	7.54
SEPARATELY INVESTED FUNDS			
AHFC Mortgage Insurance Fund			
Savings Deposits	%	\$ 82.62	N/A
Demand Deposits		25.00	N/A
Purchased Interest Receivable		5,703.56	N/A
Repurchase Agreements		-0-	
Banker's Acceptances		-0-	
Federal Agency Securities	17.6	6,898,265.64	9.08
U. S. Treasury Bills	8.1	3,169,966.23	11.22
U. S. Treasury Money Market	.5	199,900.00	N/A
U. S. Treasury Notes	13.5	5,275,687.50	9.73
Total	39.7	15,549,630.55	9.62
Public School Permanent Fund			
Certificates of Deposit	16.1	6,300,000.00	10.50
U. S. Treasury Notes & Bonds	10.3	4,045,391.41	9.57
Federal Agency Securities	20.4	8,014,118.75	8.04
Total	46.8	18,359,510.16	9.22
U of A Permanent Fund			
Certificates of Deposit	5.4	2,100,000.00	14.80
U. S. Treasury Notes & Bonds	2.6	1,006,863.62	8.49
Federal Agency Securities	5.5	2,177,375.00	7.69
Total	13.5	5,284,238.62	10.67
TOTAL	100.0%	\$ 39,193,379.33	9.57
DEBT CERTIFICATES	100.0%	\$ 45,179,000.00	8.66
CERTIFICATES OF DEPOSITS	100.0%	\$ 93,824,829.77	8.94
COMMERCIAL FISHING & AGRICULTURE BANK	100.0%	\$ 32,000,000.00	N/A
SUMMARY OF COMPOSITION			
Operating Account	.2 %	\$ 3,209,494.29	N/A
Marketable Securities Account	61.5	1,011,623,466.69	11.69
Loan and Mortgage Programs	25.5	420,374,529.74	7.54
Separately Invested Funds	2.4	39,193,379.33	9.35
Certificates of Deposits	5.7	93,824,829.77	8.94
Debt Certificates	2.7	45,179,000.00	8.66
Commercial Fishing & Agriculture Bank	2.0	32,000,000.00	N/A
TOTAL INVESTMENT HOLDINGS	100.0%	\$ 1,645,404,699.82	10.09

STATE OF ALASKA
GENERAL AND SEGREGATED STATE PROGRAM FUNDS
SUMMARY OF ALASKA DEPOSITS

NOVEMBER 30, 1980

<u>Institution</u>	<u>Total</u>	<u>General Fund</u>	<u>Bond Construction</u>	<u>International Airport</u>
<u>Commercial Banks</u>				
Alaska Bank of Commerce	\$ 3,470,000	\$ 3,470,000	\$ -0-	\$ -0-
Alaska National Bank	5,465,000	2,965,000	2,500,000	-0-
Alaska Pacific Bank	500,000	500,000	-0-	-0-
Alaska Statebank	3,650,000	3,650,000	-0-	-0-
B. M. Behrends Bank	2,500,000	2,500,000	-0-	-0-
First National Bank - Anchorage	6,980,000	6,980,000	-0-	-0-
First National Bank - Fairbanks	1,000,000	1,000,000	-0-	-0-
First National Bank - Ketchikan	695,000	695,000	-0-	-0-
National Bank of Alaska	8,350,000	8,350,000	-0-	-0-
Peoples Bank & Trust	200,000	200,000	-0-	-0-
Security National Bank	1,000,000	1,000,000	-0-	-0-
United Bank Alaska	6,950,000	3,950,000	3,000,000	-0-
Total	<u>41,760,000</u>	<u>36,260,000</u>	<u>5,500,000</u>	<u>-0-</u>
<u>Mutual Savings Banks</u>				
Alaska Mutual Savings Bank	18,680,000	2,680,000	13,500,000	2,500,000
Mt. McKinley Mutual Savings Bank	-0-	-0-	-0-	-0-
Total	<u>18,680,000</u>	<u>2,680,000</u>	<u>13,500,000</u>	<u>2,500,000</u>
<u>Savings & Loan Institutions</u>				
Fred Meyer S & L - Anchorage	100,000	100,000	-0-	-0-
Peninsula S & L - Soldotna	100,000	100,000	-0-	-0-
Alaska Federal S & L	-0-	-0-	-0-	-0-
Arctic First Federal S & L	1,000,000	1,000,000	-0-	-0-
First Federal S & L	5,000,000	-0-	2,000,000	3,000,000
Home Federal S & L	600,000	350,000	-0-	250,000
Total	<u>6,800,000</u>	<u>1,550,000</u>	<u>2,000,000</u>	<u>3,250,000</u>
TOTAL ALASKA DEPOSITS	<u>\$67,240,000</u>	<u>\$40,490,000</u>	<u>\$21,000,000</u>	<u>\$ 5,750,000</u>
Trust Deposit	<u>\$ 1,334,830</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Other Deposits	<u>\$25,250,000</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$25,250,000</u>
Total Certificates of Deposit	<u>\$93,824,830</u>	<u>\$40,490,000</u>	<u>\$21,000,000</u>	<u>\$31,000,000</u>

SUMMARY OF OPERATING ACCOUNT

<u>Institution</u>	<u>Location</u>	<u>Clearing Accounts</u>	<u>Compensating Balances</u>
Alaska National Bank	Fairbanks	\$1,244,494.29	\$1,500,000.00
Alaska Pacific Bank	Anchorage	-0-	60,000.00
American Security & Trust Co.	Washington, D. C.	-0-	25,000.00
B. M. Behrends Bank	Juneau	-0-	350,000.00
Pacific National Bank	Seattle	-0-	30,000.00
TOTAL		<u>\$1,244,494.29</u>	<u>\$1,965,000.00</u>

STATE OF ALASKA
GENERAL AND SEGREGATED STATE PROGRAM FUNDS
DEBT CERTIFICATES - CREDIT UNIONS
NOVEMBER 30, 1980

<u>Description</u>	<u>Balance</u>	<u>Yield</u>
Alaska Coast Guard Credit Union	\$ 860,000.00	
Alaska District Engineers FCU	960,000.00	
Alaska Feminist FCU	124,000.00	
A. L. P. FCU	975,000.00	
Alaska Municipal Employees FCU	1,840,000.00	
Alaska Railroad FCU	1,290,000.00	
Alaska School Employees FCU	3,530,000.00	
Alaska State Employees FCU	975,000.00	
Alaska Teamsters FCU	2,090,000.00	
Alaska U. S. A. FCU	19,000,000.00	
Bering Straits FCU	45,000.0	
Eielson Employees FCU	1,515,000.00	
Fed Alaska FCU	3,600,000.00	
Fort Wainwright FCU	1,165,000.00	
KPC Employees FCU	681,000.00	
Matanuska Valley FCU	1,230,000.00	
North Country FCU	313,000.00	
Northern School FCU	930,000.00	
R. A. A. FCU	694,000.00	
Skagway FCU	44,000.00	
Starliner FCU	293,000.00	
Tlingit & Haida FCU	478,000.00	
Tongas FCU	671,000.00	
Union Collier FCU	406,000.00	
Western Alaska Trades FCU	770,000.00	
Wein Employees FCU	700,000.00	
TOTAL	\$ 45,179,000.00	8.66

CHANGE IN PORTFOLIO COMPOSITION

<u>OPERATING ACCOUNT</u>	<u>Current Month</u>	<u>Year-to-Date</u>
<u>Net Contribution (to) From:</u>		
Taxes and Other Receipts	\$ (7,582,930.53)	\$(149,304,872.35)
Loan and Mortgage Programs	60,414,726.74	357,179,300.19
Separately Invested Funds	130,593.75	(5,700,789.49)
Certificates of Deposit/Debt	767,037.68	4,472,949.93
State Operating Expenditures	(48,030,339.09)	(144,986,011.46)
Retirement Funds	(5,277,434.77)	(34,717,526.91)
Commercial Fishing & Agriculture Bank	-0-	(30,000,000.00)
NET CHANGE IN FUNDS	\$ 421,653.78	\$ (3,056,950.09)

CHANGE IN PORTFOLIO COMPOSITION - Continued

	Current Month	Year-to-Date
<u>MARKETABLE SECURITIES ACCOUNT</u>		
<u>During the Month Funds were Provided by:</u>		
Portfolio Operations:		
Interest Income	\$ 7,859,695.42	\$ 55,822,998.89
Net Gain (Loss) on Sale/Maturity of Securities	(25.00)	959,080.12
Total Provided by Operations	<u>7,859,670.42</u>	<u>56,782,079.01</u>
Sale of Marketable Securities	4,770,034.72	76,269,732.09
Maturity of Marketable Securities	260,984,808.00	1,266,833,140.29
Taxes and Other Receipts	143,343,742.84	850,176,353.62
Other Interest Earnings	-0-	304,192.05
Permanent Fund Income	-0-	9,234,109.73
TOTAL Funds Provided During the Month	<u>416,958,255.98</u>	<u>2,259,599,606.79</u>
<u>During the Month Funds were Used for:</u>		
Purchase of Marketable Securities	282,876,099.93	1,089,919,903.53
State Operating Expenditures	<u>132,600,000.00</u>	<u>1,106,200,000.00</u>
TOTAL Funds Used During the Month	<u>415,476,099.93</u>	<u>2,196,119,903.53</u>
NET CHANGE IN FUNDS	<u>\$ 1,482,156.05</u>	<u>\$ 63,479,703.26</u>
<u>LOAN AND MORTGAGE PROGRAMS</u>		
<u>During the Month Funds were Provided by:</u>		
Interest Income	\$ 3,036,849.15	\$ 9,121,011.68
Principal Repayments	4,740,393.11	353,629,014.57
Redemption of Certificates of Deposit	5,000,000.00	5,000,000.00
Net Contribution from Operating Account	-0-	935,277.85
TOTAL Funds Provided During the Month	<u>12,777,242.26</u>	<u>368,685,304.10</u>
<u>During the Month Funds were Used for:</u>		
Purchase of:		
Loans and Mortgages	(47,637,484.48)	10,570,726.06
Certificates of Deposit	-0-	-0-
Total Purchases	<u>(47,637,484.48)</u>	<u>10,570,726.06</u>
Net Contribution to Operating Account	<u>60,414,726.74</u>	<u>358,114,578.04</u>
TOTAL Funds Used During the Month	<u>12,777,242.26</u>	<u>368,685,304.10</u>
NET CHANGE IN FUNDS	<u>-0-</u>	<u>-0-</u>

CHANGE IN PORTFOLIO COMPOSITION - Continued

	<u>Current Month</u>	<u>Year-to-Date</u>
<u>SEPARATELY INVESTED FUNDS</u>		
<u>During the Month Funds were Provided by:</u>		
Portfolio Operations:		
Interest Income	274,315.44	1,537,301.39
Net Gain (Loss) on Sale of Securities	-0-	-0-
Total Provided by Operations	<u>274,315.44</u>	<u>1,537,301.39</u>
Sale/Maturity of Marketable Securities	-0-	5,245,748.61
Net Contribution from Operating Account	-0-	5,831,383.24
TOTAL Funds Provided During the Month	<u>274,315.44</u>	<u>12,614,433.24</u>
<u>During the Month Funds were Used for:</u>		
Purchase of Marketable Securities	149,800.00	12,509,731.86
Net Contribution to Operating Account	<u>130,593.75</u>	<u>130,593.75</u>
TOTAL Funds Used During the Month	<u>280,393.75</u>	<u>12,640,325.61</u>
NET CHANGE IN FUNDS	<u>\$ (6,078.31)</u>	<u>\$ (25,892.37)</u>
<u>CERTIFICATES OF DEPOSIT/DEBT CERTIFICATES</u>		
<u>During the Month Funds were Provided by:</u>		
Interest Income	\$ 1,291,211.08	\$ 5,207,779.70
Redemption of Deposit/Savings Certificates	5,810,656.37	62,810,656.37
Net Contribution from Operating Account	-0-	161,582.79
TOTAL Funds Provided During the Month	<u>7,101,867.45</u>	<u>68,180,018.86</u>
<u>During the Month Funds were Used for:</u>		
Purchase of Deposit/Savings Certificates	6,334,829.77	63,545,486.14
Purchase of Debt Certificates	-0-	-0-
Net Contribution to Operating Account	<u>767,037.68</u>	<u>4,634,532.72</u>
TOTAL Funds Used During the Month	<u>7,101,867.45</u>	<u>68,180,018.86</u>
NET CHANGE IN FUNDS	<u>\$ -0-</u>	<u>\$ -0-</u>
<u>COMMERCIAL FISHING & AGRICULTURE BANK</u>		
Purchase	<u>\$ -0-</u>	<u>\$30,000,000.00</u>
<u>SUMMARY OF CHANGES</u>		
Operating Account	\$ 421,653.78	\$ (3,056,950.09)
Marketable Securities Account	1,482,156.05	63,479,703.26
Loan and Mortgage Programs	-0-	-0-
Separately Invested Funds	(6,078.31)	(25,892.37)
Certificates of Deposit/Debt	-0-	-0-
NET CHANGE IN FUNDS	<u>\$ 1,897,731.52</u>	<u>\$60,396,860.80</u>

WORKERS' COMPENSATION COMMITTEE OF ALASKA

Workers' Compensation Committee of Alaska (WCCA) is a political action committee. The committee was formed by a group of Alaskan employers concerned about the economic impact on businesses of the workers' compensation system. A partial listing of those employers and other interested groups considered as members is attached. The list represents those who have demonstrated their interest through various means, either active participation, financial contributions, political or technical support, and supportive endorsement.

BOARD OF DIRECTORS

The following is a current list of the Board of Directors for WCCA.

Howard Addison - Tesoro Alaska Petroleum Company
Richard Cattanach - Unit Company - Associated General Contractors, Alaska Chapter
Ann Cox - DHL Worldwide Express
Howard Cutter - Alyeska Pipeline Service Co.
Ken Kleker - J.B. Gottstein and Companies
Bud Obermeyer - ALPAC - INA
Don Scott - Nana Regional Corporation
Jan Sloan - Clarey Agency
Tom Tierney - Carroon, Black & Dawson
Jack Thompson - Air Van Lines
Ike Waldrop - National Electrical Contractors Assoc., Alaska Chapter
David Wilkes - American Federation of Business

Corporate Objectives

The Board of Directors adopted the corporate charge; (1) to objectively evaluate the findings and recommendations, concerning changes in the workers' compensation law, from various published reports, and study groups; (2) to evaluate employer reported problems and their recommended solutions; (3) to formulate these recommendations into proposed legislative changes of the current workers' compensation statutes.

Structure

To accomplish the objectives the Board was structured into subcommittees each with specific functions.

Executive Committee

Members

Howard Addison	Bud Obermeyer
Richard Cattanach	Jan Sloan
Ken Kleker	Jack Thompson

Functions

- . Corporate policy decisions.
- . Corporate structure changes.
- . Board membership
- . Strategic planning
- . Direct and control the operating committees
- . Authorize actions by any committee which will obligate the corporation.

Financial Resource Subcommittee

Members

Howard Addison
Jan Sloan
Tom Tierney
David Wilkes

Functions

- . Plan the financial budget
- . Plan the financial contribution effort
- . Control financial obligations and disbursements
- . Submit regular financial reports to the Executive Committee.

Education and Information Subcommittee

Members

Bud Obermeyer
Jan Sloan
Howard Cutter
Jack Thompson
Ann Cox

Functions

- . Monitor the direction of legislative study commission on workers' compensation.
- . Evaluate recommendations from all input sources.
- . Establish a position for WCCA on recommendations.
- . Direct educational information effort through Alaska Conference of Employers
- . Publish WCCA positional and informational literature.
- . Submit regular status reports to the executive committee.

Legislative Affairs Subcommittee

Members

Richard Cattnach
Bud Obermeyer
Ike Waldrop
Howard Cutter
Ann Cox

Functions

- . Plan lobbying strategy
- . Monitor all legislative action directed at workers' compensation.
- . Direct all phases of the lobbying effort.
- . Prepare a legislative bill to submit early in the 1981 session.
- . Coordinate efforts with each resource committees.
- . Delegate bill preparation and lobbying effort to a registered agent and monitor.
- . Submit periodic status reports to the executive committee.

Political Resource Subcommittee

Members

Richard Cattanach	Ike Waldrop
Ken Kleker	David Wilkes
Don Scott	
Jack Thompson	

Functions

- . Direct pre-election campaign contributions
- . Direct post-election campaign contributions
- . Meet with legislators as deemed necessary
- . Coordinate constituent support on critical points
- . Coordinate with Resource and Affairs Committees
- . Submit periodic reports to the Executive Committee

The person whose name appears first on each sub-committee list will act as sub-committee chairman. The chairman has the responsibility of planning and directing the functions of his sub-committee.

Strategy

WCCA will to the best of its ability utilize the committed resources of employer groups and members to direct a concentrated effort in the interest of those employer groups and members. This will be accomplished through the co-ordinated direction of the sub-committees.

FINANCIAL REQUIREMENTS

Estimated

Educational Information	\$ 15,000
Political Contributions	17,000
Lobbying Effort	43,000
Miscellaneous	<u>10,000</u>
TOTAL	\$ <u>85,000</u>

To Date

Contributions	\$ 37,000
Committed (Additional)	18,000
Required	<u>30,000</u>
	\$ <u>85,000</u>

WCCA
CONTRIBUTOR MEMBER LIST
DECEMBER 10, 1980

CLARY INSURANCE AGENCY
J. B. GOTTSTEIN & Co.
INDUSTRIAL INDEMNITY
NABORS ALASKA DRILLING
AIR VAN LINES
NORTHERN ADJUSTERS
SOHIO PETROLEUM
RELIABLE TRANSFER
FRONTIER EQUIPMENT
ARCO
ALYESKA PIPELINE SERVICE Co.
SOURDOUGH TRANSPORT
WORLDWIDE MOVERS
WIEN AIR ALASKA
AAA DELIVERY
DENALI TRANSPORTATION
ALEXANDER & ALEXANDER
SCOTT WETZEL SERVICES
EVERGREEN HELICOPTER
AVIS RENT-A-CAR
ALASKA INTERNATIONAL INDUSTRIES
ALASKA TRUCKERS ASSOC. TRUST
ALASKA CHAPTER, AGC
CHEVRON, USA
FRONTIER Co. OF ALASKA
INSURANCE COMPANY OF NORTH AMERICA
LYNDEN TRANSPORT, INC.
ROLLINS BURDICK HUNTER
TESORO ALASKA PETROLEUM

STATE OF ALASKA
DEPARTMENT OF REVENUE
TREASURY DIVISION
Pouch SB
Juneau, Alaska 99811
(907) 465-2350

TEACHERS' RETIREMENT SYSTEM

MONTHLY INVESTMENT REPORT

NOVEMBER 30, 1980

CONTENTS

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STATE OF ALASKA

DEPARTMENT OF REVENUE

TREASURY DIVISION

AMY S. HAMMOND, GOVERNOR

ELEVENTH FLOOR
STATE OFFICE BUILDING
POUCH 39
JUNEAU, ALASKA 99811
PHONE:

To the Reader:

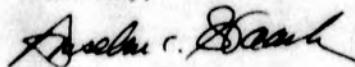
We present herein the investment report of the Teachers' Retirement System for November 30, 1980, with year-to-date figures for the Fiscal Year 1981. Accounting procedures used in preparation include:

1. All transactions are recorded on the cash basis, i.e., when cash is received or disbursed.
2. Accrued interest purchased is charged against income at the time of acquisition.
3. Other holdings will be held until repayment at or prior to maturity.
4. The cost of investments represents the amount paid for securities and other holdings.
5. Safekeeping and transaction charges are billed to the Teachers' Retirement System and not deducted from operating income.

Amounts identified as net contributions from or to the General Fund represent the excess of Retirement Fund contributions over payment or payments over receipts respectively during the month, as adjusted for investment activity in loans and mortgages. For purposes of source and use of funds analysis we have defined the term "funds" to include demand deposits, savings deposits and repurchase agreements.

Surplus funds are invested in the marketable securities account each day unless needed by the other portfolios within the Retirement Fund. Funds provided by each of the portfolios are returned to cash with the Treasury for subsequent reinvestment unless specifically identified otherwise.

Sincerely,



Anselm C. Staack
Treasury Comptroller

STATE OF ALASKA
TEACHERS' RETIREMENT SYSTEM
INVESTMENT ACTIVITY
NOVEMBER 30, 1980

At the end of November 30, 1980, cash and investments of the Teachers' Retirement Fund totaled \$344,027,350.51, up from \$339,310,111.78 at the close of the previous month. Holdings of intermediate/long term issues decreased by \$578,260.64 while common stock holdings increased by \$3,452,101.04. The Teachers' Retirement Fund expanded its position in short term issues by \$4,709,261.12. The Gold Account increased by \$1,794,010.30 and the Real Estate Equity Fund remained the same. Purchases of loans and mortgages exceeded repayments by \$272,786.15. Cash and repurchase agreements including purchased interest receivable were reduced by \$4,932,659.24.

STATE OF ALASKA
TEACHERS' RETIREMENT SYSTEM
STATEMENT OF PORTFOLIO ASSETS
NOVEMBER 30, 1980

		<u>Current Month</u>
	<u>%</u>	<u>Cost</u>
Cash		\$ (83,581.05)
Purchase Interest Receivable		10,465.36
Marketable Securities, at Cost:		
Repurchase Agreements	1 %	2,635,000.00
Short Term Issues	6	19,197,214.59
Intermediate and Long Term Issues	40	137,254,362.23
Common Stock	11	39,403,093.92
Gold Account	4	13,429,565.35
Real Estate Equity Fund	2	7,250,000.00
Total Marketable Securities	64	219,169,236.09
Other Holdings, at Cost:		
Loans and Mortgages	36	124,931,230.11
Total Assets	100%	\$ 344,027,350.51

STATEMENT OF OPERATIONS/CHANGES IN TOTAL ASSETS

	<u>Current Month</u>	<u>Year-to-Date</u>
Portfolio Operations:		
Interest and Dividend Income	\$ 1,945,927.68	\$ 11,884,987.47
Net Gain (Loss) on Sale of Common Stock	193,025.03	3,590,071.95
Net Gain (Loss) on Sale of Securities	97,483.79	107,243.16
Total Gain Loss	290,508.82	3,697,315.11
Total Operating Income	2,236,436.50	15,582,302.58
Beginning Cash and Invested Funds	339,310,111.78	318,390,567.20
Net Contribution from (to) General Fund	2,480,802.23	10,054,480.73
Ending Cash and Invested Funds	\$ 344,027,350.51	\$ 344,027,350.51

STATE OF ALASKA
TEACHERS' RETIREMENT SYSTEM
STATEMENT OF CHANGES IN PORTFOLIO CONDITION
NOVEMBER 30, 1980

	<u>Current Month</u>	<u>Year-to-Date</u>
<u>During the Month Funds were Provided by:</u>		
Portfolio Operations:		
Interest and Dividend Income	\$ 1,945,927.68	\$ 11,884,987.47
Net Gain (Loss) on Sale of Securities	<u>290,508.82</u>	<u>3,697,315.11</u>
Total Provided by Operations	<u>2,236,436.50</u>	<u>15,582,302.58</u>
Sale/Maturity of Marketable Securities:		
Short term Issues	25,275,074.02	140,560,171.85
Intermediate/Long Term Issues	578,260.64	2,075,719.00
Common Stock	<u>2,085,100.61</u>	<u>20,404,450.54</u>
Total Provided by Sales/Maturities	<u>27,938,435.27</u>	<u>163,040,341.39</u>
Collections on Loans and Mortgages	807,471.31	3,947,902.47
Redemption of Alaska Savings Certificates	-0-	200,000.00
Net Contribution from General Fund	<u>2,480,802.23</u>	<u>10,286,652.62</u>
TOTAL Funds Provided During the Month	<u>33,463,145.31</u>	<u>193,057,192.06</u>
<u>During the Month Funds were Used for:</u>		
Purchase of Marketable Securities:		
Short Term Issues	29,984,335.14	127,256,882.89
Intermediate/Long Term Issues	-0-	18,665,937.50
Gold	1,794,010.30	13,429,565.35
Real Estate Equity Fund	-0-	7,250,000.00
Common Stock	<u>5,537,201.65</u>	<u>26,809,833.04</u>
Total Securities Purchased	<u>37,315,547.09</u>	<u>193,412,218.78</u>
Purchase of Loans and Mortgages	1,080,257.46	5,827,543.51
Net Contribution to General Fund	<u>-0-</u>	<u>232,171.89</u>
TOTAL Funds Used During the Month	<u>38,395,804.55</u>	<u>199,471,934.18</u>
NET CHANGE IN FUNDS	<u>\$ (4,932,659.24)</u>	<u>\$ (6,414,735.12)</u>
<u>Summary of Changes:</u>		
Increase (Decrease) in Demand Deposits	\$ (374,775.92)	\$ (142,871.86)
Increase (Decrease) in Savings Deposits	(13,348.68)	(7,328.62)
Increase (Decrease) in Repurchase Agreements	(4,555,000.00)	(6,275,000.00)
Increase (Decrease) in Prepaid Interest	<u>10,465.36</u>	<u>10,465.36</u>
NET CHANGE IN FUNDS	<u>\$ (4,932,659.24)</u>	<u>\$ (6,414,735.12)</u>

STATE OF ALASKA
TEACHERS' RETIREMENT SYSTEM
COMPOSITION OF INVESTMENT HOLDINGS
NOVEMBER 30, 1980

	Current Month		
	% of Total Cost Value	Cost	Yield
<u>MARKETABLE SECURITIES ACCOUNT</u>			
<u>Cash Deposits</u>			
Savings	%	\$ 42,732.73	5.13
<u>Prepaid Interest</u>		10,465.36	
<u>Repurchase Agreements</u>	.8	1,200,000.00	16.75
<u>Short Term Issues</u>			
Commercial Paper		-0-	
Bankers Acceptances	8.6	12,732,933.34	14.23
U.S.T. Notes & Bonds	.3	518,281.25	6.59
Certificates of Deposit		-0-	
Total Issues	<u>8.9</u>	<u>13,251,214.59</u>	13.93
<u>Intermediate/Long Term Issues</u>			
U. S. Treasury Notes & Bonds:			
1 - 2 Years	1.7	2,492,700.00	7.20
2 - 5 Years	31.5	46,744,431.26	9.41
Over 5 Years	<u>23.1</u>	<u>34,239,459.37</u>	8.54
Sub-Total	<u>56.3</u>	<u>83,476,590.63</u>	8.99
Federal Agency Securities:			
2 - 5 Years	.6	1,000,000.00	7.55
Over 5 Years	<u>1.4</u>	<u>2,019,795.32</u>	10.11
Sub-Total	<u>2.0</u>	<u>3,019,795.32</u>	9.3
Government National Mortgage Assn.	14.0	20,693,958.78	8.19
Corporate Notes & Bonds:			
1 - 2 Years	1.0	1,492,500.00	7.50
2 - 5 Years	.8	1,243,750.00	9.58
Over 5 Years	<u>16.2</u>	<u>23,912,655.00</u>	8.30
Sub-Total	<u>18.0</u>	<u>26,648,905.00</u>	8.31
Private Placements		-0-	
Total Issues	<u>90.3</u>	<u>133,839,249.73</u>	8.74
TOTAL	<u>100.0%</u>	<u>\$148,343,662.41</u>	9.26

Schedule continued on following page

COMPOSITION OF INVESTMENT HOLDINGS - Continued

		Current Month	
	% of Total Cost Value	Cost	Yield
<u>COMMON STOCK ACCOUNT</u>			
<u>Cash Deposits</u>			
Demand	(.3)%	\$ (133,933.18)	
Savings		7,619.40	5.25
Total Deposits	(.3)	(126,313.78)	
<u>Repurchase Agreements</u>	2.9	1,435,000.00	15.5
<u>Short Term Debt Issues</u>			
Commercial Paper	11.9	5,946,000.00	16.05
<u>Intermediate/Long Term Issues</u>			
U.S. Treasury Notes		-0-	
Corporate Bonds	6.8	3,415,112.50	8.07
Total Issues	6.8	3,415,112.50	8.07
<u>Common Stock</u>	78.7	39,403,093.92	3.06
TOTAL	100.0%	\$ 50,072,892.64	5.30
<u>GOLD ACCOUNT - Cum. Fine Troy Ounces</u> 20573.367	100.0%	\$ 13,429,565.35	
<u>REAL ESTATE EQUITY FUND</u>	100.0%	\$ 7,250,000.00	
<u>LOAN AND MORTGAGE PROGRAMS</u>			
<u>Federal Insured Loans and Mortgages</u>	6.8	8,434,039.02	7.74
<u>Conventional</u>			
Insured	55.8	69,767,123.35	
Bank Participation	37.4	46,730,067.74	
TOTAL Conventional Loans	93.2	116,497,191.09	10.65
TOTAL	100.0%	\$ 124,931,230.11	10.45
<u>SUMMARY OF COMPOSITION</u>			
<u>Marketable Securities Account</u>	43.1 %	\$ 148,343,662.41	9.26
<u>Common Stock Account</u>	14.5	50,072,892.64	5.30
<u>Gold Account</u>	3.9	13,429,565.35	N/A
<u>Real Estate Equity Fund</u>	2.1	7,250,000.00	N/A
<u>Loan and Mortgage Programs</u>	36.4	124,931,230.11	10.45
<u>TOTAL INVESTMENT HOLDINGS</u>	100.0%	\$ 344,027,350.51	8.56

STATE OF ALASKA
TEACHERS' RETIREMENT SYSTEM
CHANGE IN PORTFOLIO COMPOSITION
NOVEMBER 30, 1980

	<u>Current Month</u>	<u>Year-to-Date</u>
<u>MARKETABLE SECURITIES ACCOUNT</u>		
<u>During the Month Funds were Provided by:</u>		
Portfolio Operations:		
Interest Income	\$ 904,262.88	\$ 6,263,951.30
Net Gain (Loss) of Sale of Securities	-0-	9,759.37
TOTAL Provided by Operations	<u>904,262.88</u>	<u>6,273,710.67</u>
Sale of Marketable Securities	-0-	60,278,141.56
Maturity of Marketable Securities	7,949,834.66	8,360,761.77
Net Contribution from General Fund	2,480,802.23	10,286,652.62
Net Contribution from Loan & Mortgage Programs	<u>624,197.77</u>	<u>3,854,242.71</u>
TOTAL Funds Provided During the Month	<u>11,959,097.54</u>	<u>89,053,509.33</u>
<u>During the Month Funds were Used for:</u>		
Purchase of Marketable Securities	10,771,335.14	66,432,864.12
Net Contribution to:		
Gold Account	1,794,010.30	13,429,565.35
Real Estate Equity Fund	-0-	7,250,000.00
General Fund	-0-	232,171.89
Loan & Mortgage Program	<u>-0-</u>	<u>798,723.44</u>
TOTAL Contributions	<u>1,794,010.30</u>	<u>21,710,460.68</u>
TOTAL Funds Used During the Month	<u>12,565,345.44</u>	<u>88,143,324.80</u>
NET CHANGE IN FUNDS	<u>\$ (606,247.90)</u>	<u>\$ 910,184.53</u>

COMMON STOCK ACCOUNT

During the Month Funds were Provided by:

Portfolio Operations:

Interest and Dividend Income	\$ 144,680.88	\$ 885,875.86
Net Gain (Loss) on Sale of Securities	<u>290,508.82</u>	<u>3,687,555.74</u>
Total Provided by Operations	<u>435,189.70</u>	<u>4,573,431.60</u>
Sale of Marketable Securities	19,988,600.61	79,978,438.06
Maturity of Marketable Securities	-0-	14,423,000.00
TOTAL Funds Provided During the Month	<u>20,423,790.31</u>	<u>98,974,869.66</u>

During the Month Funds were Used for:

Purchase of Marketable Securities	\$ 24,750,201.65	\$ 106,299,789.31
TOTAL Funds Used During the Month	<u>24,750,201.65</u>	<u>106,299,789.31</u>
NET CHANGE IN FUNDS	<u>\$ (4,326,411.34)</u>	<u>\$ (7,324,919.65)</u>

Schedule continued on following page

CHANGE IN PORTFOLIO COMPOSITION - Continued

GOLD ACCOUNTCurrent MonthYear-to-DateDuring the Month Funds were Provided by:Net Contribution from Marketable Securities
Account

\$ 1,794,010.30

\$ 13,429,565.35

During the Month Funds were Used for:

Purchase of gold - 3,000.017 Fine Troy Ounces

1,794,010.30

13,429,565.35

NET CHANGE IN FUNDS

\$ -0-

\$ -0-

REAL ESTATE EQUITY FUNDDuring the Month Funds were Provided by:

Net Contribution from Marketable Securities

\$ -0-

\$ 7,250,000.00

During the Month Funds were Used for:

Purchase of Real Estate Equity

-0-

7,250,000.00

NET CHANGE IN FUNDS

\$ -0-

\$ -0-

LOAN AND MORTGAGE PROGRAMSDuring the Month Funds were Provided by:

Interest Income

\$ 896,983.92

\$ 4,720,324.23

Principal Repayments

807,471.31

3,947,902.47

Net Contribution from:

Marketable Securities Account

-0-

798,723.44

Alaska Deposits

-0-

214,836.08

TOTAL Provided by Contributions

-0-

1,013,559.52

TOTAL Funds Provided During the Month

1,704,455.23

9,681,786.22

During the Month Funds were Used for:

Purchase of Loans and Mortgages

1,080,257.46

5,827,543.51

Net Contribution to Marketable Securities

624,197.77

3,854,242.71

TOTAL Funds Used During the Month

1,704,455.23

9,681,786.22

NET CHANGE IN FUNDS

\$ -0-

\$ -0-

SUMMARY OF CHANGES

Marketable Securities Account

\$ (606,247.90)

\$ 910,184.53

Common Stock Account

(4,326,411.34)

(7,324,919.65)

Gold Account

-0-

-0-

Real Estate Equity Fund

-0-

-0-

Loan and Mortgage Programs

-0-

-0-

NET CHANGE IN FUNDS

\$ (4,932,659.24)

\$ (6,414,735.12)

STATE OF ALASKA
DEPARTMENT OF REVENUE
TREASURY DIVISION
Pouch SB
Juneau, Alaska 99811
(907) 465-2350

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

MONTHLY INVESTMENT REPORT

NOVEMBER 30, 1980

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STATE OF ALASKA

DEPARTMENT OF REVENUE

TREASURY DIVISION

MAY S. HAMMOND, GOVERNOR

ELEVENTH FLOOR
STATE OFFICE BUILDING
POUCH 58
JUNEAU, ALASKA 99811
PHONE:

To the Reader:

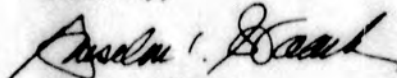
We present herein the investment report of the Public Employees' Retirement System for November 30, 1980, with year-to-date figures for the Fiscal Year 1981. Accounting procedures used in preparation include:

1. All transactions are recorded on the cash basis, i.e., when cash is received or disbursed.
2. Accrued interest purchased is charged against income at the time of acquisition.
3. Other holdings will be held until repayment at or prior to maturity.
4. The cost of investments represents the amount paid for securities and other holdings.
5. Safekeeping and transaction charges are billed to the Public Employees' Retirement System and not deducted from operating income.

Amounts identified as net contributions from or to the General Fund represent the excess of Retirement Fund contributions over payment or payments over receipts respectively during the month, as adjusted for investment activity in loans and mortgages. For purposes of source and use of funds analysis we have defined the term "funds" to include demand deposits, savings deposits and repurchase agreements.

Surplus funds are invested in the marketable securities account each day unless needed by the other portfolios within the Retirement Fund. Funds provided by each of the portfolios are returned to cash with the Treasury for subsequent reinvestment unless specifically identified otherwise.

Sincerely,



Anselm C. Staack
Treasury Comptroller

STATE OF ALASKA
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
INVESTMENT ACTIVITY
NOVEMBER 30, 1980

At the end of November 30, 1980, cash and investments of the Public Employees' Retirement Fund totaled \$444,595,584.83, up from \$438,231,556.14 at the close of the previous month. Holdings of intermediate/long term issues decreased by \$523,364.17 while common stock holdings increased by \$3,948,890.04. The Public Employees' Retirement Fund expanded its position in short term issues by \$6,584,111.13. The Gold Account increased by \$2,153,364.07 and the Real Estate Equity Fund remained the same. Purchases of loans and mortgages exceeded repayments by \$276,764.59. Cash and repurchase agreements including purchased interest receivable were reduced by \$6,075,736.97.

STATE OF ALASKA
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
STATEMENT OF PORTFOLIO ASSETS
NOVEMBER 30, 1980

	<u>Current Month</u>	
	<u>Σ</u>	<u>Cost</u>
Cash	Σ	\$ 9,239.26
Prepaid Interest		20,930.70
Marketable Securities, at Cost:		
Repurchase Agreements	1	3,440,000.00
Short Term Issues	11	50,626,190.98
Intermediate and Long Term Issues	42	186,832,539.50
Common Stock	8	36,067,048.57
Gold Account	4	16,095,385.93
Real Estate Equity Fund	2	7,250,000.00
Total Marketable Securities	68	300,311,164.98
Other Holdings, at Cost:		
Loans and Mortgages	32	144,254,249.89
Total Assets	100Σ	\$444,595,584.83

STATEMENT OF OPERATIONS/CHANGES IN TOTAL ASSETS

	<u>Current Month</u>	<u>Year-to-Date</u>
Portfolio Operations:		
Interest and Dividend Income	\$ 3,325,263.73	\$ 16,715,407.30
Net Gain (Loss) on Sale of Common Stock	227,788.67	3,026,035.57
Net Gain (Loss) on Sale of Securities	14,343.75	26,855.75
Total Gain (Loss)	242,132.42	3,052,891.32
Total Operating Income	3,567,396.15	19,768,298.62
Beginning Cash and Invested Funds	438,231,556.14	400,164,240.03
Net Contribution from (to) General Fund	796,632.54	24,663,046.18
Ending Cash and Invested Funds	\$444,595,584.83	\$444,595,584.83

STATE OF ALASKA
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
STATEMENT OF CHANGES IN PORTFOLIO CONDITION
NOVEMBER 30, 1980

	<u>Current Month</u>	<u>Year-to-Date</u>
<u>During the Month Funds were Provided by:</u>		
Portfolio Operations:		
Interest and Dividend Income	\$ 3,325,263.73	\$ 16,715,407.30
Net Gain (Loss) on Sale of Securities	242,132.42	3,052,891.32
Total Provided by Operations	<u>3,567,396.15</u>	<u>19,768,298.62</u>
Sale/Maturity of Marketable Securities:		
Short term Issues	37,790,883.05	213,482,823.39
Intermediate/Long Term Issues	523,364.17	1,629,323.47
Common Stock	1,655,212.21	25,607,770.77
Total Provided by Sales/Maturities	<u>39,969,459.43</u>	<u>240,719,917.63</u>
Collections on Loans and Mortgages	1,092,185.41	4,516,184.37
Net Contribution from General Fund	<u>2,796,632.54</u>	<u>24,663,046.18</u>
TOTAL Funds Provided During the Month	<u>47,425,673.53</u>	<u>289,667,446.80</u>
<u>During the Month Funds were Used for:</u>		
Purchase of Marketable Securities:		
Short Term Issues	44,374,994.18	191,819,601.77
Intermediate/Long Term Issues	-0-	48,117,139.50
Common Stock	5,604,102.25	24,191,639.78
Gold Account	2,153,364.07	16,095,385.93
Real Estate Equity Fund	-0-	7,250,000.00
Total Marketable Securities Purchased	<u>52,132,460.50</u>	<u>287,473,766.98</u>
Purchase of Loans and Mortgages	1,368,950.00	8,750,300.96
TOTAL Funds Used During the Month	<u>53,501,410.50</u>	<u>296,224,067.94</u>
NET CHANGE IN FUNDS	<u>\$ (6,075,736.97)</u>	<u>\$ (6,556,621.14)</u>
<u>Summary of Changes:</u>		
Increase (Decrease) in Demand Deposits	\$ (396,097.23)	\$ (65,820.81)
Increase (Decrease) in Savings Deposits	1,429.56	10,268.97
Increase (Decrease) in Repurchase Agreements	(5,702,000.00)	(6,522,000.00)
Increase (Decrease) in Prepaid Interest	20,930.70	20,930.70
NET CHANGE IN FUNDS	<u>\$ (6,075,736.97)</u>	<u>\$ (6,556,621.14)</u>

STATE OF ALASKA
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
COMPOSITION OF INVESTMENT HOLDINGS

NOVEMBER 30, 1980

	Current Month		
	<u>% of Total</u> <u>Cost Value</u>	<u>Cost</u>	<u>Yield</u>
<u>MARKETABLE SECURITIES ACCOUNT</u>			
<u>Cash Deposits</u>			
Savings	%	\$	
		65,862.66	5.13
<u>Repurchase Agreements</u>	1.3	3,000,000.00	16.75
<u>Prepaid Interest</u>		20,930.70	
<u>Short Term Issues</u>			
Commercial Paper		-0-	
Bankers Acceptances	18.0	41,675,034.73	13.10
Certificates of Deposit		-0-	
U. S. Notes & Bonds	1.3	3,080,156.25	6.65
Total Issues	<u>19.3</u>	<u>44,755,190.98</u>	<u>12.66</u>
<u>Intermediate/Long Term Issues</u>			
U. S. Treasury Notes & Bonds:			
1 - 2 Years	9.2	21,372,969.75	10.78
2 - 5 Years	27.0	62,560,931.26	9.50
Over 5 Years	17.2	39,965,017.98	8.62
Sub-Total	<u>53.4</u>	<u>123,898,918.99</u>	<u>9.44</u>
Federal Agency Securities:			
2 - 5 Years	1.6	3,784,252.23	8.66
Over 5 Years	.8	1,842,670.32	10.46
Sub-Total	<u>2.4</u>	<u>5,626,922.55</u>	<u>9.25</u>
Government National Mortgage Assn.	9.3	21,201,002.96	8.21
Corporate Notes & Bonds:			
1 - 2 Years	1.1	2,486,562.50	7.48
2 - 5 Years	.5	1,243,750.00	9.58
Over 5 Years	12.7	29,535,745.00	8.57
Sub-Total	<u>14.3</u>	<u>33,266,057.50</u>	<u>8.52</u>
Total Issues	<u>79.4</u>	<u>183,992,902.00</u>	
TOTAL	<u>100.0%</u>	<u>\$231,834,886.34</u>	<u>9.93</u>

COMPOSITION OF INVESTMENT HOLDINGS - Continued

	Current Month		
	% of Total Cost Value	Cost	Yield
<u>COMMON STOCK ACCOUNT</u>			
Cash Deposits			
Demand		\$ (56,623.40)	N/A
Savings		-0-	
Total Deposits		<u>(56,623.40)</u>	
Repurchase Agreements		440,000.00	14.50
Short Term Debt Issues			
Commercial Paper	<u>13.0</u>	<u>5,871,000.00</u>	16.05
Intermediate/Long Term Issues			
Convertible Issues	<u>7.0</u>	<u>2,839,637.50</u>	7.98
Common Stock	<u>80.0</u>	<u>36,067,048.57</u>	3.10
TOTAL	<u>100.0%</u>	<u>\$ 45,161,062.67</u>	5.21
<u>GOLD ACCOUNT</u> - Cum. Fine troy ounces			
24676.289	<u>100.0%</u>	<u>\$ 16,095,385.93</u>	N/A
<u>REAL ESTATE EQUITY FUND</u>	<u>100.0%</u>	<u>\$ 7,250,000.00</u>	N/A
<u>LOAN AND MORTGAGE PROGRAMS</u>			
Federal Insured Loans and Mortgages	10.0	14,476,920.03	8.55
Conventional			
Insured	58.7	84,603,635.12	
Bank Participation	<u>31.3</u>	<u>45,173,694.74</u>	
TOTAL Conventional Loans	<u>90.0</u>	<u>129,777,329.86</u>	10.61
TOTAL	<u>100.0%</u>	<u>\$ 144,254,249.89</u>	10.41
<u>SUMMARY OF COMPOSITION</u>			
Marketable Securities Account	52.2%	\$ 231,834,886.34	9.93
Common Stock Account	10.1	45,161,062.67	5.21
Loan and Mortgage Programs	32.5	144,254,249.89	10.41
Gold Account	3.6	16,095,385.93	N/A
Real Estate Equity Fund	<u>1.6</u>	<u>7,250,000.00</u>	N/A
TOTAL INVESTMENT HOLDINGS	<u>100.0%</u>	<u>\$ 44,595,584.83</u>	9.09

STATE OF ALASKA
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
CHANGE IN PORTFOLIO COMPOSITION
NOVEMBER 30, 1980

	<u>Current Month</u>	<u>Year-to-Date</u>
<u>MARKETABLE SECURITIES ACCOUNT</u>		
<u>During the Month Funds were Provided by:</u>		
Portfolio Operations:		
Interest Income	\$ 1,824,971.29	\$ 10,495,175.10
Net Gain (Loss) of Sale of Securities	<u>-0-</u>	<u>12,512.00</u>
TOTAL Provided by Operations	<u>1,824,971.29</u>	<u>10,507,687.10</u>
Sale of Marketable Securities	7,136,994.44	133,056,534.78
Maturity of Marketable Securities	14,577,752.78	14,820,805.83
Net Contribution from General Fund	2,796,632.54	24,663,046.18
Net Contribution from Loan & Mortgage Programs	<u>1,093,367.46</u>	<u>2,811,367.93</u>
TOTAL Funds Provided During the Month	<u>27,429,718.51</u>	<u>185,859,441.82</u>
<u>During the Month Funds were Used for:</u>		
Purchase of Marketable Securities	25,453,994.18	159,623,385.00
Net Contribution to:		
Gold Account	2,153,364.07	16,095,385.93
Real Estate Equity Fund	-0-	7,250,000.00
General Fund	-0-	-0-
Loan & Mortgage Program	<u>-0-</u>	<u>1,659,414.11</u>
TOTAL Contributions	<u>2,153,364.07</u>	<u>25,004,800.04</u>
TOTAL Funds Used During the Month	<u>27,607,358.25</u>	<u>184,628,185.04</u>
NET CHANGE IN FUNDS	<u>\$ (177,639.74)</u>	<u>\$ 1,231,256.78</u>

COMMON STOCK ACCOUNT

During the Month Funds were Provided by:

Portfolio Operations:		
Interest and Dividend Income	\$ 130,160.39	\$ 834,161.79
Net Gain (Loss) on Sale of Securities	<u>242,132.42</u>	<u>3,040,379.32</u>
Total Provided by Operations	<u>372,292.81</u>	<u>3,874,541.11</u>
Sale of Marketable Securities	13,414,712.21	76,813,177.02
Maturity of Marketable Securities	4,840,000.00	16,029,400.00
TOTAL Funds Provided During the Month	<u>18,627,005.02</u>	<u>96,717,118.13</u>

Schedule continued on following page.

CHANGE IN PORTFOLIO COMPOSITION - Continued

	<u>Current Month</u>	<u>Year-to-Date</u>
COMMON STOCK ACCOUNT - continued		
<u>During the Month Funds were Used for:</u>		
Purchase of Marketable Securities	\$ 24,525,102.25	\$ 104,504,996.05
TOTAL Funds Used During the Month	<u>24,525,102.25</u>	<u>104,504,996.05</u>
NET CHANGE IN FUNDS	<u>\$ (5,898,097.23)</u>	<u>\$ (7,787,877.92)</u>
 GOLD ACCOUNT		
<u>During the Month Funds were Provided By:</u>		
Net Contribution from Marketable Securities Account	\$ 2,153,364.07	\$ 16,095,407.61
<u>During the Month Funds Were Used for:</u>		
Purchase of Gold; 3600.973 Fine troy ounces	<u>2,153,364.07</u>	<u>16,095,407.61</u>
NET CHANGE IN FUNDS	<u>\$ -0-</u>	<u>\$ -0-</u>
 REAL ESTATE EQUITY FUND		
<u>During the Month Funds were Provided by:</u>		
Net Contribution from Marketable Securities Account	\$ -0-	\$ 7,250,000.00
<u>During the Month Funds were Used for:</u>		
Purchase of Real Estate Equity	<u>-0-</u>	<u>7,250,000.00</u>
NET CHANGE IN FUNDS	<u>\$ -0-</u>	<u>\$ -0-</u>
 LOAN AND MORTGAGE PROGRAMS		
<u>During the Month Funds were Provided by:</u>		
Interest Income	\$ 1,370,132.05	\$ 5,386,070.41
Principal Repayments	1,092,185.41	4,516,184.37
Net Contribution from: Marketable Securities Account	<u>-0-</u>	<u>1,659,414.11</u>
TOTAL Funds Provided During the Month	<u>2,462,317.46</u>	<u>11,561,668.89</u>
<u>During the Month Funds were Used for:</u>		
Purchase of Loans and Mortgages	1,368,950.00	8,750,300.96
Net Contribution to Marketable Securities	1,093,367.46	2,811,367.93
TOTAL Funds Used During the Month	<u>2,462,317.46</u>	<u>11,561,668.89</u>
NET CHANGE IN FUNDS	<u>\$ -0-</u>	<u>\$ -0-</u>
 SUMMARY OF CHANGES		
Marketable Securities Account	\$ (177,639.74)	\$ 1,231,256.78
Common Stock Account	(5,898,097.23)	(7,787,877.92)
Loan and Mortgage Programs	-0-	-0-
Gold Account	-0-	-0-
Real Estate Equity Fund	<u>-0-</u>	<u>-0-</u>
NET CHANGE IN FUNDS	<u>\$ (6,075,736.97)</u>	<u>\$ (6,556,621.14)</u>

	<u>79 W/c</u>	<u>Red. Red</u>	<u>80 W/c</u>	<u>80 R.R.</u>	<u>4.50</u> <u>gals.</u>	<u>80.4.1.</u> <u>wage</u>	<u>4.1. Red</u> <u>Fat</u>	<u>Red</u>
NY	198.00	0.50	213.00	0.55	1.08	273.76	0.67	1.22
CA	198.00	0.50	213.00	0.55	1.08	265.11	0.65	1.18
IN	198.00	0.50	213.00	0.55	1.08	257.22	0.63	1.15
TX	198.00	0.50	213.00	0.55	1.08	248.70	0.61	1.11
HI	200.00	0.51	200.00	0.51	1.01	228.96	0.56	1.09
ID	193.00	0.49	193.00	0.49	1.01	220.46	0.54	1.09
MO	198.00	0.50	213.00	0.55	1.08	238.85	0.58	1.07
VA	187.00	0.48	199.00	0.51	1.07	222.33	0.54	1.06
AZ	198.00	0.50	213.00	0.55	1.08	236.64	0.58	1.06
WV	224.00	0.57	237.00	0.61	1.07	263.00	0.64	1.06
MT	188.00	0.48	198.00	0.51	1.06	219.12	0.53	1.05
NM	186.00	0.47	201.00	0.52	1.09	221.51	0.54	1.05
OK	198.00	0.50	212.00	0.54	1.08	233.01	0.57	1.05
MI	255.00	0.65	275.00	0.71	1.09	302.20	0.74	1.05
KS	194.00	0.49	206.00	0.53	1.07	226.22	0.55	1.04
WA	234.00	0.60	249.00	0.64	1.07	272.88	0.67	1.04
UT	210.00	0.53	210.00	0.54	1.01	230.02	0.56	1.04
NH	180.00	0.46	195.00	0.50	1.09	213.40	0.52	1.04
LA	211.00	0.54	224.00	0.57	1.07	244.88	0.60	1.04
IA	199.00	0.51	211.00	0.54	1.07	230.12	0.56	1.04
ND	180.00	0.46	195.00	0.50	1.09	212.38	0.52	1.04
AL	192.00	0.49	204.00	0.52	1.07	222.08	0.54	1.04
SD	164.00	0.42	175.00	0.45	1.08	190.50	0.46	1.04
RE	199.00	0.51	199.00	0.51	1.01	216.49	0.53	1.03
VT	191.00	0.49	191.00	0.49	1.01	207.37	0.51	1.03
ME	174.00	0.44	184.00	0.47	1.07	199.30	0.49	1.03
NJ	234.00	0.60	246.00	0.63	1.06	265.35	0.65	1.03
NC	178.00	0.45	194.00	0.50	1.10	209.00	0.51	1.02
MN	209.00	0.53	226.00	0.58	1.09	243.19	0.59	1.02
KY	201.00	0.51	218.00	0.56	1.09	233.26	0.57	1.02
DE	232.00	0.59	247.00	0.63	1.07	263.00	0.64	1.01
NV	212.00	0.54	229.00	0.59	1.09	243.32	0.59	1.01
MA	198.00	0.50	227.00	0.58	1.16	241.04	0.59	1.01
WY	233.00	0.59	251.00	0.64	1.09	264.88	0.65	1.00
AK	393.00	1.00	390.00	1.00	1.00	410.02	1.00	1.00
IL	247.00	0.63	257.00	0.66	1.05	269.21	0.66	1.00
SC	278.00	0.71	197.00	0.51	0.71	206.00	0.50	0.99
GA	198.00	0.50	213.00	0.55	1.08	221.65	0.54	0.99
OR	224.00	0.57	242.00	0.62	1.09	251.33	0.61	0.99
PA	213.00	0.54	242.00	0.62	1.14	251.22	0.61	0.99
FL	217.00	0.55	211.00	0.54	0.98	218.05	0.53	0.98
OH	216.00	0.55	258.00	0.66	1.20	266.54	0.65	0.99
TN	198.00	0.50	213.00	0.55	1.08	216.75	0.53	0.97
NB	198.00	0.50	213.00	0.55	1.08	215.59	0.53	0.96
CT	240.00	0.61	261.00	0.67	1.10	259.83	0.63	0.95
MD	219.00	0.56	241.00	0.62	1.11	234.23	0.57	0.92
AR	198.00	0.50	213.00	0.55	1.08	202.57	0.49	0.90
MS	198.00	0.50	213.00	0.55	1.08	196.06	0.48	0.88
CO	217.00	0.55	278.00	0.71	1.29	244.18	0.60	0.84
WI	327.00	0.83	350.00	0.90	1.08	242.37	0.59	0.66



Frequency of Lost Time Benefit Cases

